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Japan

Christopher Urges Opening of Rice Market

OW1202232693 Tokyo KYODO in English 2306 GMT 12 Feb 93

[Report by Antonio Kamiya]

[Text] Washington, Feb. 12 KYODO—The U.S. Government again pressed Japan on Friday to slash its 46 billion dollar trade surplus with the United States by opening its markets to American imports.

Secretary of State Warren Christopher conveyed the demand in a meeting with Japanese Foreign Minister Michio Watanabe and singled out the closed Japanese rice market as an area where Washington wants Tokyo to open up.

Just as in Watanabe's meeting with President Bill Clinton on Thursday, the U.S. trade deficit again figured prominently in Watanabe'e two-hour meeting with Christopher and other senior U.S. officials, Japanese officials said. Beyond bilateral trade issues, the two sides covered a broad range of political and security issues and agreed that trade disputes should not overshadow the broader relationship between the two allies, the officials said.

Specifically, the two sides agreed to launch "counterpart consultations" under the umbrella of the Japanese Foreign Ministry and the U.S. State Department to collaborate on global and regional issues, they said. The consultations, at bureau director levels, are scheduled to begin in March, covering a dozen or so areas of mutual concern.

Christopher and Watanabe, meeting for the first time since Clinton took office last month, opened up their talks by stressing the importance of the Japan-U.S. alliance and their determination to tackle economic issues.

While Watanabe underscored Japan's insistence "everything will be fine" if the two countries talk regularly and frankly with each other, Christopher said the U.S. wants action from Japan.

The Japanese officials said Christopher specifically urged Japan to open up its markets and stimulate its economy, thus allowing more imports into the country in the process. Christopher said Japan's long-standing policy to bar rice imports has become, in the eyes of America, a "symbol of the state of the Japanese market." "It is important that American exporters can participate in the Japanese (rice) market," Christopher said in urging Tokyo to lift the ban.

The officials said China also came up for discussion during the meeting, but the presentation came almost exclusively from the U.S. side.

Watanabe, contrary to what he had said before his departure from Tokyo, did not urge the United States to continue giving China most- favored-nation trading status.

"There was no time for that," a Japanese Foreign Ministry official said.

Christopher said Washington has no intention of isolating China, but is frustrated about its human rights record and weapons sales policy. He also reportedly said China should promote greater political freedom, warning there will be nothing but trouble if Chinese authorities suppress political freedom.

Watanabe promised further consultations with the United States on China and did not use the occasion to outline Tokyo's policy, the Japanese officials said.

On Japan's relations with Russia, Christopher reiterated U.S. support on Japan in its territorial dispute with Russia. U.S. Defense Secretary Les Aspin also made the same point during a separate meeting with Watanabe on Friday morning. Both Aspin and Christopher also stressed the necessity for developed countries to give Russia help in its effort to consolidate democratic reforms and move toward a market economy.

Tony Lake, the presidential national security adviser, emphasized that strategically Russia remains the most important foreign policy issue for the United States, even though Washington is busily engaged in regional issues like Haiti and Bosnia.

Lake joined Christopher and Watanabe for a working luncheon to discuss security and foreign policy issues.

Trade relations between Japan and the United States, overshadowed by new signs the perennial Japanese trade surplus is swelling once again, have been the No. 1 topic in Watanabe's first encounter with the Clinton administration.

On Thursday, Clinton said, "it is my job" to press the Japanese to open up its markets and cut its trade surplus, running at 46 billion dollars a year.

Vice President Al Gore repeated the message in a separate meeting with Watanabe on Thursday.

U.S. Trade Representative Mickey Kantor, speaking in a television interview Friday, said the Clinton administration is seriously concerned about the surplus and predicted it is unlikely to shrink this year.

Watanabe, who arrived in Washington on Thursday for a three-day stay, was due to fly back to Tokyo on Saturday.

Tanabu Rejects Rice Import Liberalization

OW1302125093 Tokyo KYODO in English 1232 GMT 13 Feb 93

[Text] Toyama, Feb. 13 KYODO—Agriculture, Forestry and Fisheries Minister Masami Tanabu on Saturday reiterated his disapproval of a renewed U.S. demand for Japan to open its rice market to imports.

"Japan is determined to help conclude successfully multilateral trade talks (under the Uruguay Round) but won't approve of (proposed) liberalization of rice imports," Tanabu said at a news conference in Toyama.

The farm minister's comment followed an appeal for decontrol of the rice market from U.S. Secretary of State Warren Christopher. In a meeting Friday in Washington with Japanese Foreign Minister Michio Watanabe, Christopher singled out the closed Japanese rice market as an area where Washington wants Tokyo to open up.

Tanabu said Japan will not backpedal from its position that rice should be exempted from a proposal by the General Agreement on Tariffs and Trade (GATT) to replace all nontariff barriers with tariffs.

He called "completely unforeseeable" the future of the Uruguay Round talks, saying there are conflicts among negotiating parties not only on rice but on intellectual property rights as well as service trade.

He called for amending a set of proposals put forward by GATT Director General Arthur Dunkel for securing a free flow of world commerce.

Tanabu denied press reports that U.S. Agriculture Secretary Mike Espy implicitly has demanded that Japan and the United States take up rice as a key trade issue between the two countries. He said, "(Mr. Espy) was not speaking about the rice issue."

Yen's Surge Against Dollar Said 'Temporary'

OW1402125993 Tokyo KYODO in English 1144 GMT 14 Feb 93

[By Ikuji Nakaya]

[Text] Tokyo, Feb. 14 KYODO—The yen's abrupt appreciation against the dollar last week was more or less a temporary phenomenon and the U.S. currency is likely to gradually recover, analysts say.

The analysts widely agree that the yen's steep advance was largely spurred by speculative players that anticipated the Group of Seven (G-7) major economies would agree at their February 27-28 London meeting to strengthen the yen against major currencies in order to cool off Japan's mounting trade surplus.

The market was also focusing on Friday's conference between Japanese Finance Minister Yoshiro Hayashi and U.S. Treasury Secretary Lloyd Bentsen in Washington to see if the financial leaders would decide to give certain direction to yen-dollar trading.

But government officials said Hayashi and Bentsen merely agreed that both currencies should reflect economic conditions, and did not refer to any particular preferable exchange rate levels.

The yen, which closed February 5 at 124.73 yen in Tokyo, jumped 4.28 yen in four trading days to finish last week at 120.45 yen. Thursday was a national holiday in Japan.

Remarks by Japanese economic ministers indicating tolerance for the yen's advance against the dollar had fueled dollar-selling moves Friday.

But analysts said they expect the current dollar-yen developments will be temporary.

Masaru Takagi, chief economist at Fuji Research Institute, attributed the current fluctuations to speculative moves and said debates on Japan's trade surplus "are nothing that new."

He also questioned whether the G-7 will be able to maneuver exchange rates, saying that unlike in the past, "it's not easy any more to artificially engineer the rates."

Bank of Tokyo economist Yozo Nishimura said, "Recent moves are one-time phenomena since the market will rather be expecting a gradual appreciation of the dollar against the yen in light of the recuperating U.S. economy." He predicts that a future widening of interest rates between the United States and Japan, whose economy is still wading through a slump, will facilitate a dollar-bullish sentiment.

After the G-7 meeting ends, possibly without presenting any fresh incentives to the market, Nishimura expects the dollar to recover to about the 125 level.

Although cautioning it is a entirely a personal guess, Nishimura mentioned that players who heavily bought the dollar about a month ago, when perspectives of a wider gap between Japanese-U.S. interest rates were dominant in the market, were waiting for chances to let go of the U.S. currency as the gap gradually began to narrow. But he said he believes the difference will widen in the medium term.

U.S. President Bill Clinton expressed concerns about Japan's trade surplus with the U.S. on Thursday when he met with Japanese Foreign Minister Michio Watanabe. The same day, the advisory committee for trade policy and negotiations, a U.S. Government panel, urged Japan to double imports of manufactured goods by the end of this decade.

Economists acknowledge the need for Japan to balance out its international payments, preferably by spurring domestic demand, but many question whether the issue is taken with as much immediate seriousness by either the Japanese Government or foreign authorities as is being rumored in the foreign exchange market.

There are some economists, however, who project the yen's climb against the dollar will continue for awhile due to political reasons because of the soaring trade surplus.

Hiromitsu Kato, senior economist at Sakura Bank, said he thinks the dollar will remain weak until the July summit meeting of G-7 leaders in Tokyo since the surplus is not something that will quickly dissolve. Depending on the U.S., the dollar may even fall to the 118-yen level, he said.

Merchandise Trade Surplus Rise Reported

OW1602085693 Tokyo KYODO in English 0826 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—Japan's merchandise trade surplus posted a 25th straight month of year-on-year growth in January, surging 39.4 percent on a custom-cleared basis to 5,289 million dollars, the Finance Ministry reported Tuesday.

The January rise came on the heels of a continued trend of robust exports and lackluster imports that pushed Japan's trade surplus in 1992 above 100 billion dollars for the first time to hit a record 107.06 billion dollars. Imports declined 6.4 percent to 18,883 million dollars, while exports edged up 0.8 percent to 24,173 million dollars.

The politically sensitive surplus figure has recently sparked concerted foreign pressure on Japan to guide its yen stronger and to launch an additional fiscal package to stimulate domestic demand. The January surplus was the largest reading for the month.

A ministry official, however, told reporters that January usually records a volatile figure as a result of holiday factors, indicating the data does not give a clear picture of the trade situation. Private economists have different views, predicting further growth in Japan's trade surplus to a new record in 1993.

"There is no quick fix," said Masaru Takagi, chief economist at Fuji Research Institute, citing higher exports, primarily of semiconductors to the recovering U.S. market, and lower imports amid unprecedented sluggish consumption in Japan.

"The surplus will continue to rise, though at a slower pace, over the next six months," he said, even if the government takes additional fiscal measures.

Japan's trade surplus with the United States in January rose 21.0 percent to 2,952 million dollars, while that with the European community increased 27.1 percent to 2,744 million dollars.

An economist at Nikko Research Center said exports to other Asian countries, primarily of steel to China, are expanding steadily along with the recovering U.S. economy.

The January trade surplus with other Asian countries climbed a sharp 96.1 percent to 1,539 million dollars, and rose 30.7 percent with Asia's newly industrializing economies (NIES) to 2,862 million dollars.

The U.S. dollar averaged 124.86 yen in January, down a scant 1.0 percent from a year earlier, having little impact on the trade balance in terms of value, said the ministry official.

Overall exports were especially strong for office equipment and automobiles, but imports of luxury cars, oil products and liquefied petroleum gas were weak, the official said.

Given the growing surplus and foreign pressure, economists said that Japan will probably take additional fiscal measures in the spring to stimulate domestic demand.

But Fuji's Takagi said that no "decisive" effects can be expected, as with the August fiscal package which will probably hit the economy in the next three months, but that the measures should be strong enough to encourage consumers.

"The only measure left for the government is reducing income tax," said Takagi.

The Nikko economist said that almost all measures, including tax cuts and a stronger yen, carry a "time lag" in their effects, adding he estimates Japan's trade surplus for fiscal 1993, starting April 1, at a record 130 billion to 140 billion dollars. The two economists thus agree that domestic demand must pick up for Japan to improve its trade imbalance, but said this is a long-term question.

Aspin Backs Tokyo in Dispute With Russia

OW1202225393 Tokyo KYODO in English 2239 GMT 12 Feb 93

[Report by Antonio Kamiya]

[Text] Washington, Feb. 12 KYODO—U.S. Defense Secretary Les Aspin met with Japanese Foreign Minister Michio Watanabe on Friday and reaffirmed U.S. support for Japan in its territorial dispute with Russia.

The two ministers, meeting for the first time since the changeover in the White House, also reaffirmed the two nations' commitment to their security pact and agreed their alliance plays an important role in the post-cold war world, Japanese officials said. The officials said the hour-long meeting, held on the second day of Watanabe's visit to Washington, focused mainly on security ties and democratic reforms in Russia.

Aspin told Watanabe there is no change under President Bill Clinton's administration in the U.S. policy of backing Tokyo's claim over a group of four islands off northern Japan that the Soviet Union seized at the end of World War II and are now held by Russia.

"Of course, we back the Japanese position," Aspin reportedly told Watanabe.

The long-standing dispute over what Japan calls the northern territories has held back major Japanese economic aid to Russia. Watanabe, however, insisted that Japan is doing its share of helping Russia keep its democratic reforms and make its transition to a market economy.

"Japan may not be doing as much as Germany, but we certainly are contributing the same share as other developed nations," Watanabe said.

Aspin, stressing the importance of keeping Russian reformist forces in power, made a general appeal for more aid, urging Japan "to do what it can" in helping the government of President Boris Yeltsin, Japanese officials said.

On security issues, Watanabe outlined Japan's concern on the possible spread of nuclear weapons following the demise of the Soviet Union and Aspin said the U.S. shares the same worries.

Aspin told Watanabe the Clinton administration is reassessing security threats facing the U.S. and cited the spread of regional conflicts and the threat of nuclear proliferation as two main areas of U.S. security concerns.

Aspin said the administration attaches great importance to the U.S.-Japanese alliance and shares the Japanese view that it plays a vital role in promoting stability in the Asia-Pacific region.

Watanabe pledged continued Japanese host-nation support to U.S. troops, and Aspin stressed the White House highly appreciates the Japanese effort.

The two also agreed to continue holding consultations on U.S. military bases in Japan, including consolidation and restructuring of U.S. facilities on Okinawa, Japanese officials said.

Aspin told Watanabe he is looking forward to meeting with Japanese Defense Agency Director General Toshio Nakayama in the near future, the officials said.

Tokyo Discusses Hopes for Butrus-Ghali Visit

OW1202234693 Tokyo KYODO in English 2337 GMT 12 Feb 93

[Report by Miu Oikawa]

[Text] Tokyo, Feb. 13 KYODO—Japan hopes to use next week's visit by U.N. Secretary General Butrus Butrus-Ghali to strengthen its ties with the world body, government officials say.

The government wants to "accurately define" Japan's relationship with the U.N. in the post-cold war era and study its possible contribution to strengthening the world body when the U.N. chief makes his official five-day visit starting Monday, they said.

Japan, which joined the U.N. in 1956, hopes the U.N. will change into a more "comprehensive" body and strengthen its role in nonmilitary fields such as the environment and refugees, they said.

Butrus-Ghali will be accompanied by his wife Leia and U.N. officials, including Yasushi Akashi, head of the U.N. Transitional Authority in Cambodia. He is scheduled to hold separate talks with Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe.

Discussions are likely to cover the changing role of the U.N. and Japan's contribution to it, regional disputes in Cambodia, Somalia and the former Yugoslavia, as well as global issues such as the environment, poverty and arms control, the officials said.

During his stay, Butrus-Ghali, who has visited Japan four times in the past, will also attend the opening ceremony of the new permanent headquarters building of the U.N. University in Tokyo.

The university was established with the approval of the U.N. General Assembly in 1973 and its headquarters opened in 1975. Its activities include research on global problems concerning human survival, development and welfare.

Butrus-Ghali, 70, is expected to give three speeches, including one at a symposium and another at a private university in Tokyo where he will receive an honorary doctorate in law. The officials said the U.N. chief's proposal on "peace enforcement" may come up during his talks with Japanese leaders. But they refrained from elaborating on Japan's position on the subject, saying the proposal needs to be further studied. They also said that the U.N. head is not visiting Japan to "negotiate" on certain matters, but rather to "exchange views."

Butrus-Ghali, who was appointed in January 1992, proposed in a report last June that the Security Council create what would in effect be a rapid-deployment military force using heavily armed soldiers for "peace enforcement" rather than just peacekeeping.

In a recent interview with KYODO News Service, he expressed the hope that Japan could change its Constitution so that its troops could take part in such peace enforcement operations, which might include military offensives. He said it is important for Japan, "being a great power," to participate in all U.N. activities.

"My hope is that the government of Japan will be able to change the Constitution so that it will allow the Japanese forces to participate in operations of peace enforcement," he said. Later, in interviews with other Japanese media, he denied having made such a statement.

The U.N. chief's remarks came amid mounting calls by senior members of the ruling Liberal Democratic Party for the Constitution to be revised to expand Japan's contributions to U.N. peacekeeping and peacemaking operations. His remarks triggered controversy and prompted Miyazawa to respond that Tokyo will continue to contribute to the international community within the framework of its war-renouncing Constitution. Article 9 of the Constitution bans the use of force as a means of settling international disputes.

Japan enacted a law last year permitting limited overseas deployment of its Self-Defense Forces to assist U.N. peacekeeping operations. But a legal provision bans its peacekeepers from joining in activities that might involve the use of military force.

Miyazawa, in talks with Butrus-Ghali, may touch on Japan's bid to become a permanent member of the Security Council as part of its proposal to strengthen the U.N., the officials said.

The U.N. Charter, drawn up in 1945, gave permanent seats on the 15-member council to five World War II victors—the United States, Britain, France, China and the former Soviet Union (now Russia). Each of the five has veto power over resolutions.

Japan, the second-largest contributor to the U.N. budget after the U.S. and currently holder of one of the 10 rotating seats on the Security Council, has argued that the present structure and composition of the council is anachronistic and that it should have a permanent seat to reflect its growing international role.

The officials said this will not become a subject of deep discussion between Miyazawa and Butrus-Ghali, because such matters are decided by member states, not by the U.N. chief.

UN's Butrus-Ghali Arrives for Talks 15 Feb

OW1502071293 Tokyo KYODO in English 0651 GMT 15 Feb 93

[Text] Tokyo, Feb. 15 KYODO—U.N. Secretary General Butrus Butrus-Ghali arrived in Japan on Monday to compare notes with Japanese leaders on the world body's role in the post-cold war era and Japan's greater contribution to the international community.

During his stay in Tokyo, which ends Friday, Butrus-Ghali will meet with Prime Minister Kiichi Miyazawa on Tuesday and Foreign Minister Michio Watanabe on Thursday. High on the agenda will be the changing role of the United Nations and Japan's contribution to the world body, as well as regional conflicts in Cambodia, Somalia and the former Yugoslavia, government officials said. The UN chief's proposal on "peace enforcement" is also likely to be discussed by Butrus-Ghali and Japanese leaders, the officials said.

Butrus-Ghali, 70, who assumed the UN leadership in January 1992, proposed in a report last June that the Security Council create what would in effect be a rapid-deployment military force which would employ heavily armed soldiers for "peace enforcement" rather than mere peacekeeping.

In a recent interview with KYODO News Service, the UN chief voiced hope that Tokyo will change its Constitution so that its troops would then be able to join in such peace enforcement missions, which could possibly include military offensives. He said it is important for Japan, "being a great power," to participate in all UN activities.

"My hope is that the Government of Japan will be able to change the Constitution so that it will allow the Japanese forces to participate in operations of peace enforcement," he said.

In later interviews with other Japanese media, however, Butrus-Ghali denied having made such remarks, and said only that Japan can decide on how it will expand its contribution to the international community.

Japan enacted a law last year permitting limited overseas deployment of its troops to assist UN peacekeeping missions. But a legal provision bans its peacekeepers from taking part in activities that might involve the use of military force.

The UN chief is accompanied by his wife Leia and UN officials, including Yasushi Akashi, a Japanese national who heads the UN Transitional Authority in Cambodia.

Butrus-Ghali, who has visited Japan four times in the past, is scheduled to attend the opening ceremony of the new permanent headquarters building of the UN University in Tokyo.

The UN leader will meet reporters at the Japan National Press Club Thursday afternoon to discuss the results of his visit. He is scheduled to depart Japan for New York on Friday.

Urges Sending Troops to Mozambique

OW1602134393 Tokyo KYODO in English 1321 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—United Nations Secretary General Butrus Butrus-Ghali on Tuesday urged Japan to participate in the upcoming U.N. peacekeeping operation in Mozambique, according to Foreign Ministry officials.

Officials said Butrus-Ghali made the request during his 80-minute talk with Prime Minister Kiichi Miyazawa, who replied that Japan intends to do whatever it can within the confines of its Constitution to contribute to U.N. efforts.

Butrus-Ghali, who arrived in Japan on Tuesday for a five-day official visit, pointed out that a ceasefire is now in force in the African nation and suggested the Japanese Government's conditions for dispatching personnel could be met.

The U.N. chief called on Japan not to confine its efforts to Asia, but to participate in U.N. activities in such regions as Africa and Latin America.

Miyazawa reportedly pointed out Japan's participation in the U.N. peacekeeping operation currently under way in Cambodia.

Reflecting Japan's cautious stance toward dispatching its forces overseas in light of its militaristic past, Miyazawa said its consideration of new commitments must not be hurried or rash.

Butrus-Ghali pointed out to the Japanese leader that former World War II aggressor nations Germany and Italy face similar obstacles to Japan but are intending to contribute to the training of police officers in Somalia.

According to a Foreign Ministry source, Japan has already received an informal U.N. request to send 20 to 50 peacekeepers to Mozambique to join the world body's cease-fire, transport, and communications activities.

The sources added that in a sense the situation in Mozambique is much safer than in Cambodia, where Japan has dispatched some 600 engineering troops and 75 civilian policemen.

On the stalled peace process in Cambodia, Butrus-Ghali and Miyazawa agreed to call on both the Vietnamese-installed government of Phnom Penh and the Khmer Rouge guerrilla faction for self-restraint and to push ahead with the May general election as scheduled.

In response to an intensified offensive by Phnom Penh government forces against its positions, the Khmer Rouge pledged Sunday to launch a massive counterattack if the government troops continue to attack.

The Khmer Rouge, militarily the strongest of the three guerrilla factions which fought the 13-year-old civil war against the Phnom Penh government, has ignored a peace accord signed in Paris in October 1991 and refused to disarm and participate in the election scheduled for May 23-25.

The U.N. secretary [general] and Miyazawa agreed, however, that a way to enable the Khmer Rouge to participate in the election should be kept open.

Miyazawa touched on Japan's desire for a permament seat on the U.N. Security Council, telling Butrus-Ghali that considering new developments in the world and the new challenges facing the U.N., "Japan's long-term desire is on its way to being realized."

Officials said Butrus-Ghali said that Japan's contribution to the U.N. is necessary if the world body is to effectively fulfil its enlarged role and tackle problems of a nature different from those it has faced before.

But the U.N. secretary general noted that 20 percent of the U.N.'S activities consist of peacekeeping duties.

The remark appeared to reflect the view of some observers that Japan would not be qualified to become a permanent security council member if it cannot assume the same responsibilities as the present permanent members. The permanent members now are the United States, Russia, China, Britain and France.

Japan has based its claim on the fact that it is among the top financial contributors to the U.N., is stronger economically than other nations, and intends to play a larger political role in the world.

Vows No Meddling in Tokyo Affairs

OW1602152693 Tokyo KYODO in English 1508 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—U.N. Secretary General Butrus Butrus-Ghali said Tuesday he has no intention of meddling in Japan's efforts to expand its role in the international community, Foreign Ministry officials said.

The U.N. chief made the remark in an 80-minute meeting with Prime Minister Kiichi Miyazawa, apparently backpedaling from an earlier statement calling on Japan to change its Constitution to join in proposed peace enforcement units.

While urging Japan to expand its role in all U.N. activities, including peacekeeping missions, Butrus-Ghali told Miyazawa that the basic principle of the United Nations is not to interfere in the internal affairs of its member states, the officials said.

Miyazawa reportedly replied that Tokyo will go as far as possible in extending a helping hand to the world body within the framework of the country's pacifist Constitution, indicating Japan will support the U.N. chief's proposal for a rapid deployment force that would include heavily armed troops for peace enforcement, instead of merely peacekeeping.

In a report titled "An Agenda for Peace," issued last June, Butrus-Ghali, 70, put forth a proposal calling for the creation of peace enforcement units.

The U.N. chief, who arrived in Tokyo Monday for an official five-day visit, voiced hope in a recent interview with KYODO News Service that Japan will change its Constitution to permit its troops to join in peace enforcement missions that might include military offensives.

In the interview, Butrus-Ghali attached importance to Japan's participation in all U.N. activities.

The U.N. chief's remarks came amid mounting calls by senior members of the governing Liberal Democratic Party for the Constitution to be revised to allow for Japan's expanded contribution to U.N. peacekeeping and peacemaking activities.

Tokyo has so far taken a cautious stand over Butrus-Ghali's peace enforcement scheme as Japan's participation would oblige it to amend its Constitution, which bans the use of force as a means of settling international disputes.

Discusses UNTAC With Miyazawa

OW1602150093 Tokyo KYODO in English 1431 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—U.N. Secretary General Butrus Butrus-Ghali and Prime Minister Kiichi Miyazawa urged feuding parties in Cambodia to respect the results of elections slated for May.

In a press statement issued after an 80-minute meeting, Butrus- Ghali and Miyazawa agreed that the United Nations Transitional Authority in Cambodia (UNTAC) will continue to be of "definitive importance" in the period between elections and the establishment of a new administration.

The statement was apparently aimed at deterring any parties from repeating the pattern that emerged in Angola last fall, when UNITA (National Union for the Total Independence of Angola) leader Jonas Savimbi took up arms again after losing U.N.-monitored elections to the MPLA (Popular Movement for the Liberation of Angola).

In the five-point statement, Butrus-Ghali and Miyazawa said the door should be kept open so that the Khmer Rouge guerillas can participate in the peace process.

So far the Khmer Rouge, which boasts the most military might among the three guerilla factions aligned against the Phnom Penh government, has declined to disarm or join in the planned May 23-25 election.

Butrus-Ghali and Miyazawa also called on the Phnom Penh government and Khmer Rouge guerillas to exercise restraint in order to make possible fair elections.

The Phnom Penh government forces earlier this month mounted an offensive against the Khmer Rouge, which has pledged to counterattack.

UNTAC chief Yasushi Akashi also attended the Tuesday meeting, the first major event during Butrus-Ghali's five-day visit here through Friday.

[Tokyo KYODO in English at 1508 GMT on 16 February carries the following related report:

["Feb. 16 KYODO—U.N. Secretary general Butrus Butrus-Ghali said Tuesday he has no intention of meddling in Japan's efforts to expand its role in the international community, Foreign Ministry officials said.

["The U.N. chief made the remark in an 80-minute meeting with Prime Minister Kiichi Miyazawa, apparently backpedaling from an earlier statement calling on Japan to change its Constitution to join in proposed peace enforcement units.

["While urging Japan to expand its role in all U.N. activities, including peacekeeping missions, Butrus-Ghali told Miyazawa that the basic principle of the United Nations is not to interfere in the internal affairs of its member states, the officials said.

["Miyazawa reportedly replied that Tokyo will go as far as possible in extending a helping hand to the world body within the framework of the country's pacifist Constitution, indicating Japan will support the U.N. chief's proposal for a rapid deployment force that would include heavily armed troops for peace enforcement, instead of merely peacekeeping.

["In a report titled 'An Agenda for Peace,' issued last June, Butrus-Ghali, 70, put forth a proposal calling for the creation of peace enforcement units.

["The U.N. chief, who arrived in Tokyo Monday for an official five-day visit, voiced hope in a recent interview with KYODO News Service that Japan will change its Constitution to permit its troops to join in peace enforcement missions that might include military offensives.

["In the interview, Butrus-Ghali attached importance to Japan's participation in all U.N. activities.

["The U.N. chief's remarks came amid mounting calls by senior members of the governing Liberal Democratic Party for the Constitution to be revised to allow for Japan's expanded contribution to U.N. peacekeeping and peacemaking activities.

["Tokyo has so far taken a cautious stand over Butrus-Ghali's peace enforcement scheme as Japan's participation would oblige it to amend its Constitution, which bans the use of force as a means of settling international disputes."]

Interviewed on 16 Feb

OW1602154593 Tokyo NHK General Television Network in Japanese 1200 GMT 16 Feb 93

["Exclusive" interview with UN Secretary General Butrus Butrus-Ghali by NHK anchorman Tadashi Sonoda; from the "News 21" program; place not given—"recorded earlier today," in English with Japanese subtitles]

[Text] [Sonoda] In the interview you gave to an NHK correspondent in New York two weeks ago, you mentioned as follows: It would be in the interest of the United Nations if they amend the Japanese Constitution so that Japan will be able to participate in different peacekeeping and peace enforcement operations. You mentioned this, but it seems...

[Butrus-Ghali, interrupting] I am sure that I have mentioned this since I had to correct [my remarks]. I cannot discuss the constitutional issues of member countries because, otherwise, I will be accused of intervening in their internal affairs. The member countries have to decide whatever they want to do. And, I will welcome whatever they will offer to the United Nations. This is a very important point. My role is to take what we can receive from member states, and to use these to the maximum.

[Sonoda] Were there some kind of interjections or responses from the Japanese Government?

[Butrus-Ghali] No, there was no interjection. In my impression, the word, interjections, sounds like something negative, not positive. No, there was not. I believe that a good UN secretary general would say that it is not in the interest of the United Nations, or of member states, to enter in internal affairs [of member states].

[Sonoda] Do you wish Japan to participate not only in the peacekeeping operations but also in peace enforcement operations which was proposed in your report, the Agenda for Peace?

[Butrus-Ghali] No, for the time being. According to Japan's policies, Japan is interested in participating only in peacekeeping operations. So, I have to take it into consideration because it is for you to decide what you want to offer to the United Nations. The secretary general cannot intervene in your decision by saying that I want this, or that I want that. The member states will say that I am ready to do this, or that I am ready to that. I will try to take offers from different member states, and use them for the purpose of reinforcing of the United Nations.

[Sonoda] The UN Charter continues to have provisions that Japan and Germany should be treated as enemy states. In your opinion, how should these provisions be handled from now on?

[Butrus-Ghali] These provisions have been old-fashioned since they became members of the United Nations. This is because the basic principle of the UN membership is complete equality. So, I will completely agree on your opinion that you have to amend such clauses—one in Article 53, Paragraph 2 and another in Article 103—I completely agree that these have to be taken off.

[Sonoda] For Japan to be a permanent member of the Security Council, is it not enough to take part just in these peacekeeping operations going on at the present?

[Butrus-Ghali] There is no relation between the permanent membership in the Security Council and the peacekeeping operations. What I want to say is that the United Nations have so many kinds of activities. Member states can choose their own actions from these options after considering which will fit or correspond to their own constitutions. I went to Germany one month ago, and gave them the exactly same message. I have been saying that, if you want to have the strong United Nations, this is an interest of the entire international community too. Member states, particularly major member states which have great power in the United Nations, must play greater roles. Otherwise, the United Nations would not be able to cope with new problems in the post-cold war period.

The cold war, in a certain way, was playing the role of the policeman of the world in the sense that the cold war used to contain disputes. Now that there is no more cold war, we need new policeman. But member states are not ready to play the role. Neither the United States nor Europe and Japan are ready to play the role of international policeman. Thus, the role has to be played by the United Nations.

During the cold war, member states of the United Nations spent billions and billions of dollars to carry on the cold war. I am asking member states to pay 1 or 2 percent of what they have spent in the cold war to maintain peace. This is a very small price for peacekeeping in international problems.

International peace is just one of the aspects with which we must cope. What about environment problems? What about new problems appearing in the next 10 days? High sea [as heard], drug trafficking all over the world, and disease—we will need more and more roles of the United Nations. And we will need more financial and technical assistance to the United Nations. Until now, the United Nations is the only forum which can handle global problems.

[Sonoda] It seems that operations in Somalia are taking on a new dimension. Do you think that the new operations under the United Nations' direct command have a nature of peace enforcement operations rather than conventional peacekeeping operations?

[Butrus-Ghali] The new operation will have something to require a lot of expressions to generalize—it is something in-between peacekeeping and peace enforcement. [sentence as heard] It is something new. Why is it new? First, because there is no government in Somalia. Second, because we are compelled, if we want to promote peace in Somalia, to control confronted factions. To control these factions, we need certain kinds of enforcement. So, operations in Somalia are something new which has never been applied before. You referred to a new dimension of peacekeeping operations which is not well described in my Agenda for Peace proposal. Peacekeeping operations used to be just based on the presence of troops as observers to stand between confronting parties. Now, the peacekeeping operations have a comprehensive approach. Probably, I have to write a new report to mention that there is a new category of operations which is between peacekeeping and peace enforcement.

Urges More Active UN Role

OW1602132693 Tokyo KYODO in English 1304 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—U.N. Secretary General Butrus Butrus-Ghali reiterated Tuesday that Japan must participate more actively in the United Nations if the global body is to become more effective at guarding world peace.

In a speech delivered at a banquet hosted by Prime Minister Kiichi Miyazawa, Butrus-Ghali applauded Japan's eight-month-old legislation allowing troops to join in U.N. peacekeeping operations, and suggested Japan consider "if and how to carry the process forward."

But he was careful not to be seen pressing Japan to amend its antiwar Constitution or take other steps that would enable Tokyo to contribute soldiers for U.N. jobs that could involve fighting.

It is up to Japan to take the initiative "since no outside agency, not even the secretary general of the United Nations, despite his enormous interest in the subject, has a right to interfere in your internal affairs," the U.N. chief said.

Prior to his arrival Monday, Butrus-Ghali raised eyebrows in Tokyo by suggesting in media interviews that Japan revise its Constitution to permit Japanese forces to join his proposed U.N. rapid deployment force.

He later denied having made the statement. Japan's Constitution bans the use of force in resolving international conflicts, and its interpretation is at the center of a debate on whether Tokyo may contribute more fully to U.N. military operations.

Twice in the speech, Butrus-Ghali said "more active" participation by Japan is needed for the U.N. to successfully serve its post-cold war role.

While Japan is the second largest donor to the U.N., "the international community expects even more of Japan," he said.

"I am counting on you to join in a great enterprise. Let us work together to build the new United Nations," Butrus-Ghali said.

Miyazawa in his speech said the U.N. chief's visit is a "new opportunity" to strengthen Japan's cooperation with the body.

He praised Butrus-Ghali's proposal last June for establishing the rapid-deployment military force as an initiative aimed at strengthening the U.N.'s role in safeguarding peace.

U.N. member nations must give serious consideration to the proposal, as well as to the future rule of the U.N. in establishing peace, Miyazawa said.

"Japan is also required to actively participate in the international debate on issues facing the U.N.," he said.

Miyazawa has repeatedly said that while Japan is willing to discuss establishment of an enforcement arm of the U.N., Japan's participation is a separate matter. Miyazawa has said his administration does not plan to revise the Constitution.

Miyazawa 'Cautious' on Peace Enforcement Units

OW1502073193 Tokyo KYODO in English 0628 GMT 15 Feb 93

[Text] Tokyo, Feb. 15 KYODO—Prime Minister Kiichi Miyazawa took a cautious stance Monday on the possibility of Japan participating in proposed United Nations "peace enforcement" units.

"We will participate in discussions, but whether we support the conclusion of the discussions hinges on the nature of the conclusion. It is another story whether Japan will join such missions," Miyazawa told the House of Representatives Budget Committee.

Miyazawa was replying to a question about a proposal by UN Secretary General Butrus Butrus-Ghali last June for the creation of heavily armed UN units to enforce peace in world trouble spots, with or without the consent of the warring parties.

The prime minister's remarks came on the day Butrus-Ghali begins an official five-day visit to Japan.

Miyazawa said previously that Japan is not ready to lend personnel to such forces, though it supports international debate on the issue.

Japan, whose Constitution bans the use of force to settle international disputes, has taken a cautious stance on the creation of UN "peace enforcement" units.

Butrus-Ghali, in an interview with KYODO News Service at the beginning of February, said it is important for Japan, "being a great power," to participate in all UN activities.

"My hope is that the Government of Japan will be able to change the Constitution so that it will allow the Japanese forces to participate in operations of peace enforcement," he said.

In an interview with the Japanese newspaper ASAHI SHIMBUN a few days later, however, the 70-year-old UN chief denied having made such a statement.

[Tokyo KYODO in English at 0651 GMT on 15 February reports: "U.N. Secretary General Butrus Butrus-Ghali arrived in Japan on Monday to compare notes with Japanese leaders on the world body's role in the post-cold war era and Japan's greater contribution to the international community."

[The agency adds: "The UN chief is accompanied by his wife Leia and UN officials, including Yasushi Akashi, a Japanese national who heads the UN Transitional Authority in Cambodia."]

Kurihara Interviewed on Constitutional Amendment

OW1302040793 Tokyo NHK General Television Network in Japanese 1211 GMT 10 Feb 93

[Satellite interview with Yuko Kurihara, chairman of the Constitutional Committee of the ruling Liberal Democratic Party, by NHK correspondent Tadashi Sonoda in the NHK studio in Tokyo; Kurihara's location not given—live; from the "NHK News 21" program]

[Excerpts] [Sonoda] We will interview Mr. Kurihara, chairman of the Constitutional Committee of the ruling Liberal Democratic Party [LDP]. Mr. Kurihara, thank you for joining us this evening. Looking at the first session of the committee, there existed various views. Some expressed a positive view regarding amending the Constitution, whereas others were cautious. Would you describe your feelings?

[Kurihara] Yes. Most participants at the committee's first session candidly expressed their views on amending the Constitution. I am very satisfied with that.

[Sonoda] Prior to holding the first session, your committee made it a principle that it would not debate amending the Constitution. What does that mean?

[Kurihara] Our committee will not hold debates on amending the Constitution because, as you are well aware, some people advocate making drastic amendments to the Constitution, whereas others are very cautious about revising it. For this reason, our committee has decided not to hold debates because of the need to encourage a national debate and to make the public fully understand that debate.

[Sonoda] Mr. Kurihara, you have persistently used the word checkup of the Constitution instead of amendment. What does the word checkup mean?

[Kurihara] Since my committee has decided not to hold debates on revising the Constitution, I thought of checking up on certain aspects of the Constitution. It is in that sense I used the word checkup.

[Sonoda] Nonetheless, there are various views within the LDP on amending the Constitution.

[Passage omitted on Foreign Minister Watanabe, Prime Minister Miyazawa, and LDP Research Council Chairman Mitsuzuka speaking for and against amending the Constitution]

[Sonoda] As you have just seen, Foreign Minister Watanabe and LDP Research Council Chairman Mitsuzuka emphatically spoke in favor of amending the Constitution, whereas Prime Minister Miyazawa said he has no intention of revising it.

Thus, the leaders of the ruling party are split over amending the Constitution. Mr. Kurihara, what do you think about this situation within the ruling party?

[Kurihara] Their differences stem from the question of whether or not a national debate needs to be held. While the Constitution has remained unchanged for more than 40 years, domestic and international circumstances have been greatly altered. While some within the ruling party argue that a national debate must be held to amend the Constitution in order to make it compatible with such circumstances, others assert that the time is not yet right for such a debate, and that amending the Constitution must be dealt with cautiously. Therefore, our committee intends to listen to the views of people from all walks of life on the need for holding a national debate on amending the Constitution. If the debate is held, the question will be raised as to who should sponsor the debate and how it should proceed. It is necessary to hold the debate after examining the question. The ruling and opposition parties have various views. If they had their way, they would make it impossible to hold a national debate. They should work to create a forum for the debate. Our committee intends to deal with issues under the premise of not amending the Constitution, while simultaneously listening to various views from the people. I believe this is a great duty for our committee.

[Sonoda] As you are well aware, last week the so-called Ozawa research group submitted a report to the prime minister. In it the group adopts the view that under the current Constitution, the Self-Defense Forces [SDF] can participate in UN activities if and when they are formed. Mr. Kurihara, what do you think about the report?

[Kurihara] If the Ozawa research group proposes the SDF participate along with UN forces, it is that group's opinion.

[Sonoda] Mr. Kurihara, like former LDP Secretary General Ozawa, do you rule out reinterpretation as a means of amending the Constitution?

[Kurihara] Yes. Our committee has fully debated this and come to the conclusion that it is unreasonable to amend the Constitution via such a method.

[Sonoda] By how much do you think the current Constitution can be amended?

[Kurihara] At the moment I am thinking of how I should proceed with the Constitutional Committee, so it is very difficult for me to point out specific aspects of the Constitution which need to be amended.

[Sonoda] According to reports, your committee plans to compile an interim report in May. How do you plan to proceed with your committee in the future?

[Kurihara] I have been listening to the views of journalists, and intend to listen to the views of scholars and trade union leaders. Then I will urge committee members to hold debates. As I have just said, our committee will examine whether or not it is time to hold a national debate on amending the Constitution. If the national debate is to be held, our committee would discuss where it should be conducted and its format. Our committee intends to compile the interim report based on what it actually debates.

[Sonoda] This is my last question. How are you going to deal with the current Constitution?

[Kurihara] My personal view is that a national debate should be held for two or three years, with people from all walks of life taking part; only then can it produce a certain proposal for amending the Constitution. Two or three years of debate will give the impression to other nations that Japan seriously reexamined its Constitution in keeping with current trends, and that will send a very good signal.

[Sonoda] Mr. Kurihara, what I asked you is whether your are for or against amending the Constitution. I would like to have your view on this.

[Kurihara] While there are some aspects that need to be amended, there are others which need to remain as they are.

[Sonoda] Thank you very much. I have interviewed Chairman of the LDP Constitutional Committee Yuko Kurihara.

LDP-Backed Candidate Loses Yamagata Election

OW1402145893 Tokyo KYODO in English 1435 GMT 14 Feb 93

[Text] Yamagata, Feb. 14 KYODO—A candidate backed by the Japan New Party (JNP), United Social Democratic Party, and Social Democratic Party defeated an opponent backed by the ruling Liberal Democratic Party (LDP) in a gubernatorial election in the farming constituency of Yamagata.

In an outcome that political analysts say indicates growing voter wariness of the LDP's dominance, Kazuo Takahashi, 62, former deputy governor, won the election over Seigo Tsuchida, 49, in the northern Japanese constituency dubbed "conservatives' kingdom."

Takahashi garnered 333,627 votes as against Tsuchida's 292,522 votes, according to tally released by the prefectural election management board. Third place went to another conservative candidate, Keigi Furuya, a former House of Councillors legislator who obtained 30,231 votes.

Voter turnout was surprisingly high, with 74.98 percent of eligible voters casting ballots. In the previous gubernatorial election 60.14 percent of eligible voters cast ballots.

The JNP secured its third straight victory in a row in elections to select local municipal government chiefs, following the victories of its recommended candidates in the cities of Shirane, Niigata Prefecture, and Hoya, Tokyo.

JNP representative Morihiro Hosokawa visited the constituency during the campaign, calling for voter support on a platform of eradicating political corruption from Japan's money-dominated political scene amid public outrage over the Tokyo Sagawa Kyubin money-and-gangster scandal.

A JNP executive told KYODO News Service the victory suggests the public's "high expectations" for the new party, which has a clean image as yet untarnished by scandals.

The setback for the LDP-backed candidate dealt a harsh blow to the LDP's intraparty power mechanism led by its Secretary General Seiroku Kajiyama, who saw a conservative camp split amid the challenge posed by former Labor Minister Tetsuo Kondo, the analysts said.

Kondo, a House of Representatives legislator, campaigned intensively to drum up voter support for the opposition-backed candidate Takahashi in view of his own need to widen his spectrum of supporters to prepare for an upcoming general election later this year, they said.

Kondo's defection enraged Kajiyama and prompted some LDP members to issue a call for penalizing Kondo for his refusal to obey the party line, they said.

Takeshita Bank Scandal Allegations Dismissed

OW1502134093 Tokyo KYODO in English 1306 GMT 15 Feb 93

[Text] Tokyo, Feb. 15 KYODO—The government dismissed allegations on Monday that former Prime Minister Noboru Takeshita profited financially from a bank scandal eight years ago.

Kunihisa Hama, director of the Justice Ministry's Criminal Affairs Bureau, formally rejected suggestions of wrongdoing in answering questions from Komeito legislator Shosuke Miyachi in the House of Representatives Budget Committee.

Hama told the committee—reconvened after a 10-day hiatus—that prosecutors had not unearthed anything to suggest that Takeshita received hundreds of millions of yen from an art dealer linked to the Heiwa Sogo Bank scandal in 1985.

Takeshita was finance minister at the time and the deficit-ridden bank was trying to restructure.

Hama said the prosecution checked the veracity of news reports that Takeshita and his secretary, Ihei Aoki, allegedly got 300 million out of 4 billion yen from the dealer, who reportedly offered to help bank executives attempting to rebuild the bank's management.

Conflict between the bank's management and the bank's founding family surfaced in the spring of 1985 over an array of loans. The family had transferred 21.6 million Heiwa Sogo shares to a businessman.

Shigeaki Isaka, at that time auditor of Heiwa Sogo Bank, and three other executives, apparently determined to regain control of the stock from the businessman, paid the dealer 4 billion yen for an ornamental gold-lacquered screen.

Under the so-called gold-lacquered screen scandal, Isaka allegedly sought Takeshita's influence to regain all the bank shares. The art dealer was a middle man in making contact with the businessman, informed sources said.

Isaka and the three other executives tried unsuccessfully to regain the shares so that the bank could be rebuilt, thereby blocking its takeover by Sumitomo Bank, the sources said. The bank was absorbed by the Sumitomo in October 1986.

Isaka, who is currently standing trial on a charge of commercial aggravated breach of trust, reportedly is ready to reveal details about the stocks repurchasing ploy during a court hearing on Tuesday.

In a related development, Prime Minister Kiichi Miyazawa again rejected opposition demands that he pressure Takeshita to quit politics for his alleged role in the Tokyo Sagawa Kyubin scandal.

Takeshita is to testify again before the Diet committee on Wednesday.

Former Bank Auditor Testifies

OW1602081993 Tokyo KYODO in English 0707 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—The former auditor of the now-defunct Heiwa Sogo Bank testified Tuesday he once saw a note naming former Prime Minister Noboru Takeshita as a potential recipient of part of the payment for an overpriced gold-leaf screen the bank bought in 1985 in a feud over bank management.

Shigeaki Isaka said in a civil court trial Toshinari Manabe, president of Yaesu art gallery, showed him the memorandum that says 300 million yen would be channeled to Takeshita, 100 million yen to Isaka and 1.5 billion yen to a businessman who held one-third of the bank's outstanding shares.

Isaka said the bank sought the influence of then Finance Minister Takeshita through Takeshita's Secretary Ihei Aoki in an expensive Japanese restaurant on June 18, 1985, as the bank believed it needed Finance Ministry approval to rebuild the bad loan-plagued bank to avoid its being absorbed by Sumitomo Bank.

Isaka provided the testimony at the Tokyo District Court in connection with a lawsuit against him by Sumitomo Bank demanding the return of 4.1 billion yen, with interest, that Heiwa Sogo loaned to Isaka's consulting forum company to buy the screen.

He is also being tried in a criminal trial on a charge of commercial aggravated breach of trust over huge loans the bank extended to two real estate firms.

Isaka, 67, a former veteran prosecutor, quoted the late Aoki as saying at the restaurant he knew the bank was in trouble due to the sell-off of 21.6 million shares to the businessman, Shigeru Sato, president of Kawasaki Teitoku Co., an asset management firm of the now-disbanded Kawasaki Conglomerate.

The shares—33.5 percent of the bank's outstanding shares—were sold off by the bank's founding family to Sato in March 1985, amid a feud between the family and the bank's management.

Isaka said he later had telephone conversations "seven or eight times" with Aoki, who he said in turn convinced him Takeshita was ready to cooperate with the bank's plan to rebuild itself without being absorbed by Sumitomo Bank.

He quoted Aoki as saying, "Mr. Sato is our longtime acquaintance and he recently called on me, saying he acquired Heiwa Sogo shares."

"I understood well the purpose of your request," Aoki was quoted as saying. Takeshita told the Diet in 1986 that he had been acquainted with Sato for more than 20 years.

Isaka told the court hearing he was ordered by the bank's then Chairman Kazumasa Tashiro to ask for the intervention of the art dealer to successfully conclude negotiations with Sato in purchasing his shares.

"I negotiated with Mr. Sato more than 10 times as I was concerned that the shares might be handed over to Sumitomo Bank," he said.

Sato reportedly bought the shares by receiving a loan from Itoman Finance Co., a financial institution affiliated with Sumitomo Bank.

Aoki committed suicide on April 26, 1989, the day after Takeshita announced his resignation as prime minister over the Recruit stocks- for-favors scandal.

Sumitomo Bank absorbed Heiwa Sogo Bank on October 1, 1986.

The ornamental gold-leaf screen—depicting a procession of feudal-era aristocrats—was reportedly sold for eight times its market value of some 500 million yen.

Isaka quoted Manabe as saying in July 1985 that Sato told Manabe he is "willing to sell the shares back to Heiwa Sogo if the bank agrees to buy the screen for 4 billion yen."

Manabe was also quoted as telling Isaka the memorandum shows how the initial payment of 2 billion yen would be divided and funneled to Takeshita, Sato, and other figures.

Isaka said he directly tried to confirm Sato's alleged intention to sell the shares back to Heiwa Sogo when he met with Sato, saying the bank is "annoyed by Manabe's offer to sell an overpriced object."

Isaka quoted Sato as replying that Manabe "is not the type of person who forcibly sells a bogus object."

Isaka said he did not carry any legal obligation to pay back the 4 billion yen, as the decision to buy the screen was reached "in consultation with Chairman Tashiro" with an eye to buying back the shares and financially rebuilding the bank.

He said he urged Manabe to pay back the 4 billion yen around January 10, 1986, as the shares were not turned over to the bank despite the huge payment. He quoted Manabe, who rejected the request, as saying, "part of the 4 billion yen was handed over to Sato and I do not have the total sum in my hands."

A spokesman for Manabe told KYODO News Service that Manabe did not link the purchase of the screen to Sato's agreement to sell back the shares. Manabe did not make any payment to Takeshita, he said.

Takeshita's office also denied Isaka's testimony that the former premier was a potential recipient of part of the money in connection with payment for the screen. Takeshita did not receive 300 million yen, according to his office.

Takeshita and Ichiro Ozawa, former Liberal Democratic Party secretary general, will testify as sworn witnesses before the Diet on Wednesday on the bank scandal and the Tokyo Sagawa Kyubin money-and-mob scandal.

'Gangster' Admits Role in Halting Campaign

OW1502134893 Tokyo KYODO in English 1332 GMT 15 Feb 93

[Text] Tokyo, Feb. 15 KYODO—The now deceased leader of a major underworld organization complied with former ruling party powerbroker Shin Kanemaru's request in 1990 to persuade rightists to halt a harassment campaign against him over his visit to North Korea, the gangster's right-hand man said Monday.

Munenobu Shoji, 61, president of Hokusho Sangyo Co., a real estate firm affiliated with the nation's third-largest crime syndicate, the Inagawa-kai, gave the testimony at the Tokyo District Court.

Shoji is now being tried for his involvement in a money-and-mobster scandal, in which the former president of Tokyo Sagawa Kyubin Co., Hiroyasu Watanabe, allegedly conspired with him to extend 520 billion yen in loans and loan guarantees to various firms, including those linked with the Inagawa-kai.

Shoji said he received a telephone call in September 1990 from Watanabe, who asked him to convey Kanemaru's request to his boss, Susumu Ishii.

Ishii was renowned for his influence over various rightist groups. Hokusho Sangyo is often called "the economic department of the Inagawa-kai."

Shoji quoted Watanabe as saying, "Mr. Kanemaru is being annoyed by a rightist group's sound trucks that daily drive around his office blaring out protests at his upcoming visit to North Korea. Please stop it."

Shoji conveyed the request to Ishii, who in turn urged another rightist group to convince the sound-truck organizers to halt their harassment campaign. The sound-truck group caved in to the pressure and withdrew their trucks two days later, he said.

During the September 24-28 visit, Kanemaru handed over to North Korean leader Kim Il-song a letter from then Prime Minister Toshiki Kaifu. Kaifu sent the letter in his capacity as president of the governing Liberal Democratic Party.

In the letter, Kaifu offered an apology for Japan's 35 years of colonization of the Korean peninsula and subsequent repression.

Before the visit, ultranationalist groups protested against such an official expression of regret, urging the government not to let Japan lose face.

As for the Tokyo Sagawa Kyubin Scandal, Shoji said Watanabe asked him by phone around September 20, 1987, to contact Ishii, so that Ishii might use his influence in silencing a smear campaign by the Nihon Kominto rightist group against former Prime Minister Noboru Takeshita.

He quoted Watanabe as saying, "Mr. Takeshita is very much annoyed by Nihon Kominto's harassment campaign. Please ask Mr. Ishii to apply pressure to stop it."

Ishii complied with the request and met with then Kominto chief Torao Inamoto, securing his consent to halt the campaign on condition that Takeshita visit the private residence of former Prime Minister Kakuei Tanaka in Tokyo, he said.

Takeshita, who is to testify on his part in the scandal on Wednesday, has been denying any advance knowledge of Ishii's collaboration with Kanemaru's efforts to silence the campaign to sweep Takeshita to power.

After Takeshita secured the premiership, Kanemaru asked Shoji to arrange a meeting with Ishii and Watanabe in December 1988, so that he could express his gratitude for Ishii's role in silencing the Kominto campaign, he said.

The get-together later materialized and Shoji paid for dinner for the three at a posh Japanese restaurant in Tokyo, he added.

Murakami: Mieno's Economic Policy 'Insufficient'

OW1202043993 Tokyo KYODO in English 0353 GMT 12 Feb 93

[Text] Tokyo, Feb. 12 KYODO—Bank of Japan Governor Yasushi Mieno came under fire at a cabinet session

Friday for failing to explain the nation's economic situation in detail, officials said.

The officials said the criticism was made by Labor Minister Masakuni Murakami at a meeting of ministers with economic portfolios.

Murakami charged that Mieno's explanations about the economic situation and the central bank's policy shifts are insufficient and hard to understand.

Chief Cabinet Secretary Yohei Kono, responding to Murakami's request, promised to talk the matter over with Mieno.

Bank Reports Rise in Corporate Failures

OW1502060293 Tokyo KYODO in English 0437 GMT 15 Feb 93

[Text] Tokyo, Feb. 15 KYODO—The number of corporate bankruptcies in Japan rose 1.2 percent in January from a year earlier to 960, maintaining an expansionary trend as the economic slowdown continues, Teikoku Data Bank Ltd. reported Monday.

January was the 28th consecutive month in which the number of corporate failures involving debt of 10 million yen or more stayed above year-earlier levels, the private credit research agency said.

The amount of liabilities left by bankrupt businesses, however, fell 6.4 percent to 240.35 billion yen, the smallest level in 27 months, as the number of business failures fell below 1,000 for the first time in a year, it said.

But the decline in liabilities does not signal the worst is over, the agency said, pointing out that it was largely due to a decrease in the large-scale bankruptcies brought on by the bursting of the "bubble economy."

The bubble economy refers to the period of asset inflation marked by soaring stock and real estate prices in the late 1980s.

Despite the decreased liabilities, the number of companies falling victim to the current recession grew 47.1 percent to 553, accounting for 57.6 percent of the total business failures, according the agency.

Businesses bankrupted by the recession are defined as those which failed because of poor sales and exports, difficulties in collecting payments for goods sold on credit, an accumulation of bad debts, and an industry slump.

The agency said it was the first time in five years that the ratio of recession-induced failures to total insolvencies stayed above 57 percent, highlighting the depth of dismal business conditions.

In January, a total of 186 manufacturers failed, up 30.1 percent from a year earlier.

The agency attributed the rise to increased failures in the steel, metal, machinery, and electric appliance industries, reflecting a drop in orders placed with small businesses which serve as subcontractors of major corporations in these industries.

Service sector failures rose 19.0 percent to 119, but the construction, wholesale trade, transport and telecommunications, and real estate industries reported declines in business failures.

The number of real estate industry failures fell 24.4 percent to 65, with liabilities down to 58.09 billion yen from 89.67 billion yen a year earlier.

Wakai Urges Flexible Pump-Priming Measures

OW1602085893 Tokyo KYODO in English 0821 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 KYODO—The chief of the banking industry said Tuesday that the government should continue stimulating the economy when it becomes necessary, calling for further pump-priming measures, including income tax reduction.

Tsuneo Wakai, chairman of the Federation of Bankers Associations of Japan, said at a regular press meeting the early Diet passage of fiscal 1993 budget bills is the main priority, but stressed the need to consider further measures should past schemes turn out to be insufficient.

The past measures include a 10.7 trillion yen economic package and the latest official discount rate cut earlier this month by 0.75 percentage point to a record low of 2.5 percent per annum.

Floating deficit-covering government bonds may be necessary if there is not enough government income to go ahead with fresh stimulative measures, Wakai said.

But he said in that case, it is important to have clear perspectives about reimbursement so as to avoid fiscal deficits from snowballing.

Wakai, also the president of Mitsubishi Bank, said his bank is trying harder to facilitate lending to small and medium-sized corporations through various means in line with a Finance Ministry notice issued on February 8.

The ministry advised banks to promote their lending especially to small- and medium-sized companies after the official discount rate was lowered on February 4.

But he said the banking industry has been working on extending loans to healthy companies and it seems as if their cautiousness, stemming from reflection on the days of speculative money, is being regarded in general as mere reluctance to lend.

Turning to the debated bailout scheme of Nippon Housing Loan Co., Wakai, though mentioning that the data he has about the scheme is wholly from new reports, said it should have a positive effect on other troubled housing loan companies, once Nippon Housing's restructuring is on track.

He supported the idea of differentiating the range of interest rate cuts among closely related banks, agricultural cooperative credit institutions and other financial institutions, considering the differences in the degree of their commitment to Nippon Housing's management.

Financial sources have said that, under a blueprint mapped out by the Finance Ministry, closely related creditor banks will cut their lending rates to zero, while agricultural institutions will lower their rates to 4.5 percent and others to 2.5 percent.

Referring to foreign exchange rates, Wakai said, "I wouldn't be surprised even if the yen strengthens against the U.S. dollar in the face of trade imbalances," but also expressed concern that too rapid and too steep an appreciation may stymie economic recovery.

North Korea

DPRK To Take 'Proper Countermeasure' if Inspected

SK1302051193 Pyongyang KCNA in English 0457 GMT 13 Feb 93

["Futile Fuss, Sinister Intention"—KCNA headline]

[Text] Pyongyang, February 13 (KCNA)—If the United States and some reactionaries take an unreasonable measure for inspection of our military objects which have nothing to do with the nuclear problem, we will take a proper countermeasure for self-defence, warns NODONG SINMUN today.

Recalling that the United States and some other countries recently declared they would carry out "special inspection", if the DPRK refused to accept inspection of "suspicious facilities of nuclear materials," the paper says: It is a new plot to impair the prestige of the DPRK and isolate it and an unpardonable provocation aimed at infringing on and violating its sovereignty and dignity.

The news analyst says:

The allegation that we have "suspicious facilities" related to the nuclear problem is a sheer lie. We have no other nuclear facilities than those we have reported to the International Atomic Energy Agency (IAEA).

The United States and some reactionaries, however, are trying to force inspection on military objects which have nothing to do with the nuclear problem, distorting fact as if the inspection by the IAEA had been suspended owing to our "refusal." This is an unpardonable provocation of which we cannot but take a serious view.

This is a sinister act to increase pressure on the DPRK and a brigandish demand for the opening of its military objects to the public. In this, they aim at spying on our military facilities legitimately and stifling our socialist position.

The United States tried by hook or by crook to get the military objects and bases of the DPRK opened to the public by manipulating the South Korean authorities, but in vain. Now it is trying to attain its sinister purpose through the IAEA.

The objects alien to nuclear programme are not liable to inspection by the IAEA. The IAEA has no right to use "information" offered by a third country or anyone's demand in "special inspection" infringing on the sovereignty and interests of a country.

The U.S. demand for inspection of our military facilities is an act infringing on our sovereignty and security.

If we accepted inspection of "suspicious objects" as demanded by the United States, it would be the beginning of the exposure of all our military objects and bases and would become a precedent of permission for the opening of military bases of all non-nuclear states.

Our people have not allowed and will never allow anyone to violate the dignity of the nation and infringe on their sovereignty. We mean what we say. We do not make an empty talk.

Nuclear Issue Seen as Excuse for Team Spirit

SK1402023093 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 13 Feb 93

[Commentary by station commentator Yun Pyong-son: "The Aggressor Armed Forces Are Trooping In"]

[Text] The massive numbers of troops and equipment of the U.S. imperialist aggressor forces mobilized for the provocative Team Spirit-93 joint military exercise are trooping into South Korea from their bases on the U.S. mainland, Hawaii, the Japanese mainland, and the Pacific region by sea and air.

According to a military source, a formation of 10 C-130 cargo planes carrying troops and various kinds of war equipment from their overseas aggression bases landed at a U.S. Air Force base in South Korea on 12 February. Those armed forces of the aggressor forces were immediately deployed to the operational areas by train and in cargo helicopters. On 11 February many troops and various kinds of equipment were also brought to South Korea in large cargo planes. These transport operations are being conducted daily.

Along with the intensive transport of troops and equipment, the U.S. imperialists are holding air combat exercises over South Korea daily. On 11 February, with the support of an electronic jamming plane and a refueler flown in from overseas, some 130 fighter planes from South Korean bases conducted an integrated air war exercise over Oeyondo, Pochon, Tongduchon, and Yoju with pursuit-assault planes and vertical take-off and landing assault planes flown in from Japan. On 12 February formations of fighter-bombers and assault planes flown in from overseas bases conducted an air-refueling exercise designed to enhance the strike capability on strategic targets in the northern half of the republic without landing at the bases in South Korea.

These out-of-the-ordinary military moves hint that the Team Spirit-93 joint military exercise will be more frenzied than in previous years. This also indicates the possibility that they will complete preparations for northward invasion in the deployment stage. They will use some excuse to start a real war when they begin the actual exercise.

As is well known, the North and the South pledged to the entire nation that they will resolve the issue of reunification peacefully without fighting with each other. Moreover, the Cold War has come to an end. Under these circumstances, the U.S. and South Korean authorities have no reason or excuse for conducting the Team Spirit joint military exercise—the product of the era of confrontation. They say that they will hold the Team Spirit war rehearsal because the so-called nuclear inspection issue remains unresolved, but this is only an excuse to justify resuming the war rehearsal.

The world admits that the honesty of our nuclear policy has been confirmed internationally. As for the nuclear threat, it comes not from the North but from South Korea. Although the U.S. and South Korean authorities declare the nuclear weapons have been withdrawn and do not exist, no one believes it. In reality, U.S. nuclear weapons are hidden deep in South Korea, and the South Korean warmongers are accelerating their own nuclear weapons development and nuclear armament under the U.S. nuclear umbrella. Using the North's fictitious nuclear threat as a pretext to conduct a full-fledged Team Spirit joint military exercise, while they themselves are posing a nuclear threat, is a brigandish act like a thief turning on the owner.

The U.S. imperialists and the South Korean ruling bunch are leading the Team Spirit joint military exercise to the full-fledged stage with increasing intensity. Their intent is to take the Korean peninsula to the brink of war, thereby provoking a war of northward invasion and realizing their aggressive Asian strategy by expanding the war. This intolerable criminal act challenges our people's yearning for reunification and the current trend toward detente and peace.

The Team Spirit-93 joint military exercise of the U.S. imperialists and the South Korean ruling bunch is creating an extremely grave situation on the Korean peninsula. A war could break out at any time. The U.S. imperialists and the South Korean warmongers will miscalculate if they attempt to make fun of someone by military force. Our people are not what they used to be. If they trigger a war, our people, who are firmly united around the party and the leader, will rise up as one and fight and inflict a firm punishment on the aggressors.

The U.S. imperialists and the South Korean ruling bunch should squarely see our people's will, should not run amuck recklessly, and should suspend the provocative Team Spirit-93 joint military exercise immediately.

U.S. Ties 'Possible' if 'Sovereignty' Respected

SK1402084193 Pyongyang KCNA in English 0829 GMT 14 Feb 93

["They Should Know Our Will"—KCNA headline]

Pyongyang, February 14 (KCNA)—Some western media are now spreading reports that the normalization of DPRK-U.S. and DPRK-Japan relations cannot be realised before the settlement of the "nuclear problem" of the North and even false rumours that the North is trying to improve those relations in the hope of getting something.

NODONG SINMUN in a signed commentary today says:

The reports and rumours are groundless and only betray their ignorance of our republic and our people.

The "nuclear problem" is a matter which has nothing to do with the improvement of DPRK-U.S. and DPRK-Japan relations. It is not the United States and Japan but the DPRK which is entitled to speak of the nuclear problem.

However, they continue to raise the fictitious "nuclear problem" of the North as certain conditions for the improvement of relations in a bid to use it as a lever to isolate and stamp out the DPRK.

We are going to improve relations with the United States and Japan, taking account of the international trend toward peace and detente and the demand of the U.S. and Japanese people for the improvement of relations with the DPRK.

We have lived without being indebted to the United States and Japan and we will do so in future, too. Our people have invariably advanced the revolution and built and firmly defended the most superior socialism of our style in this land despite the machinations of the the United States and Japan to stifle our republic with political, economic and military pressure and blackmail.

The dignity and independence of the nation are more precious to our people than their lives.

Our people have no intention to improve DPRK-U.S. and DPRK-Japan relations, even allowing our national dignity and sovereignty to be encroached upon.

The improvement of DPRK-U.S. and DPRK-Japan relations will be possible on condition that sovereignty is respected and non-interference in other's internal affairs and the principle of equality are ensured.

The United States and Japan should clearly know the will of our people.

U.S. Stages 'Air War Exercise' 11 Feb

SK1302045193 Pyongyang KCNA in English 0430 GMT 13 Feb 93

[Text] Pyongyang, February 13 (KCNA)—The U.S. imperialist aggressors staged a provocative coordinated air war exercise on February 11 as a part of the "Team Spirit" joint military manoeuvres, according to military sources.

The exercise staged in the skies above Oeyon islet, Pochon, Tongduchon and Yoju involved formations of pursuit-assault planes and VTOL planes from bases in Japan and some 130 fighter planes based in South Korea.

This was staged with the support of electronic jamming planes and refueling tankers which took off at Atsuki and Okinawa of Japan.

In separate action, on the same day, large transport planes loaded with aggression troops and combat equipment flew to the U.S. Airforce bases in South Korea from bases in the U.S. mainland and Pacific region and the airlifted aggression troops and death tools were immediately deployed in operational areas while aggressive forces to be hurled into the "Team Spirit" were swarming into South Korea from overseas bases through the sky and the sea.

The U.S. imperialists conducted mid-air refuelling exercises on February 11 and 12.

Groups Denounce Team Spirit as 'Criminal Scheme'

SK1602032193 Pyongyang KCNA in English 2227 GMT 15 Feb 93

[Text] Pyongyang, February 15 (KCNA)—South Korean people of all walks of life and overseas compatriots are denouncing the criminal scheme to resume the "Team Spirit" joint military exercises.

The Christian Workers Federation in its protest statement said that the resumption of the "Team Spirit" war exercises was a traitorous act against the desire for reunification, an act of shelving the North-South agreement and challenging the desire of the nation.

The South Korean National Democratic Front (Hanminjon) in its statement branded the announcement of the resumption of the joint military exercises as an unpardonable act of closing the door to peaceful reunification in the 90s and ignite a nuclear war on the Korean peninsula, come what may, and appealed to the entire pro-reunification patriotic democratic forces to vigorously wage a pan-national massive movement against the nuclear war exercises.

"The Federation of South Koreans in Japan for Democracy and National Reunification", "the South Korean Youth League in Japan" and "the Association of South Korean Women in Japan for Democracy" published statements sharply condemning the provocative scheme to resume the "Team Spirit" joint military exercises as a challenge to the Korean nation and world conscience desiring peace and reunification and an anti-historic and anti-peace act.

The Korean A-bomb victims and other Koreans in Hiroshima prefecture, Japan, together with Japanese people, held a meeting and a demonstration denouncing the resumption of the "Team Spirit".

Prof. Kim in Seoul said that the main obstacle in solving the question of reunification after the adoption and effectuation of the North-South agreement is the decision of the authorities to resume the "Team Spirit" joint military exercises with the United States. If the authorities were truly interested in reunification, they must stop the war game at once, he urged.

Tae Chae-chun, chairman of the National Council of Student Representativs (Chondaehyop), stated that the main target of the action program of Chondaehyop in the 90s is to check and frustrate the joint military exercises and vigorously wage the anti-U.S. struggle.

VNS Details ROK Nuclear Ability in Dialogue

SK1302064693 (Clandestine) Voice of National Salvation in Korean to South Korea 0300 GMT 4 Feb 93

[Dialogue between station announcer Pak Yong-chin and station commentator Yun Chong-won on the "Focus on Topics" program: "Criminal Maneuvers by Persons in Authority To Develop Nuclear Weapons"]

[Text] [Pak Yong-chin] How are you?

[Yun Chong-won] Fine, thank you, and you?

[Pak] As has already been reported, ROK persons in authority have secretly promoted the development of nuclear weapons. The South Korean National Democratic Front [SKNDF] Central Committee exposed this in its November 1992 open letter disclosing the truth. The North's Foreign Ministry also uncovered this in its memorandum of 29 January.

Shall we discuss today's topic of criminal maneuvers by ROK persons in authority to develop nuclear weaponry?

[Yun] Fine.

[Pak] To begin with, would you please share with us the truth behind this nuclear weapons development by persons in authority?

[Yun] The SKNDF Central Committee's open letter on the ROK nuclear weapon development revealed these facts. The ROK is pouring an enormous amount of technological manpower and funding into nuclear weapons development. The ROK is also accelerating the release of nuclear explosives, manufacture of nuclear warheads, and production of nuclear delivery means.

The ROK put together its plan to develop nuclear weapons in the late 1960's. Pak Chong-hui, who usurped power through a military coup d'etat, declared that he would resort to all means within his power to develop nuclear weapons for state security. Reflecting Pak Chong-hui's desire to develop nuclear weapons, the ROK Atomic Power Committee fixed a plan for nuclear weapons development in May 1969. With the onset of the 70's, the ROK used the pretext of self-reliant defense to pour extravagant, secret amounts of money into more earnestly promoting nuclear weapons development.

By the end of the 70's, the ROK had built the basic foundations for manufacturing experimental nuclear weapons, and established a beachhead to develop actual nuclear weapons. Choe Yong-sop, then minister of science and technology, assuringly said: If President Pak should so decree, we can produce a nuclear bomb in one or two years.

[Pak] Wasn't ROK nuclear development accelerated following Pak Chong-hui's assassination?

[Yun] Yes, it was. As you know, while Chon Tu-hwan was in power, research institutes specializing in atomic power were forcibly integrated and disguised as energy research institutes. All the processes for nuclear development were disguised as those for developing atomic power technology for industrial use. As a result, nuclear development progressed to the level of industrial production.

Under the pretext of creating a self-reliant foundation of atomic power, localization of technological development of atomic power by Chon's regime was designed so that they would come to possess nuclear-related facilities for military purposes and accumulate technology to develop nuclear warheads. From 1987 on, Chon's regime began to put into operation [words indistinct] facilities fully equipped with reprocessing processes so as to form the basic foundations needed to extract plutonium, the core material of nuclear warheads, and manufacture nuclear bombs. In the late 1980's, No Tae-u's regime began raving about the North's nonexistent nuclear development while stepping up its own nuclear development. A top secret report submitted to the National Defense Minister by the Joint Chiefs of Staff in August 1989 provided details regarding the need to hasten ROK nuclear armament and contained requests for nuclear weapons development to be completed.

[Pak] No Tae-u stressed ROK nuclear weapons development in person, did he not?

[Yun] Yes, he did. In June 1991, just before No Tae-u left to visit the U.S., the National Defense Minister met with him to discuss a report on the ROK's right to arm itself with nuclear weapons. He stressed the need for independent nuclear armament, only to have No Tae-u say: I have my own plan for it.

No Tae-u gave (?instructions on nuclear armament) to the National Defense Minister.

[Pak] I see.

[Yun] ROK's nuclear development policy was focused not on peaceful means of using atomic power, but on the development of nuclear weapons. This policy has been consistently maintained as a key security policy and enforced systematically by all successive (?military) regimes. ROK nuclear development has gone through four phases: nuclear policy was first formulated in the 60's, in the 70's, ROK entered a stage of experimental development, the 80's saw it progress to the level of industrial development, and with the onset of the 90's, the ROK has openly begun nuclear armament.

[Pak] (?Promotion of nuclear development), operation of reactors, accumulation of nuclear material, manufacture of nuclear warheads, nuclear tests, possession of nuclear delivery means, transforming nuclear weapons for actual combat, and systematization of nuclear weapons, are basic signs of nuclear armament. Promoted extensively and simultaneously, they comprise a completed system.

[Yun] Yes, that is true. The ROK has a considerable number of nuclear research institutes. Some 20 nuclear research institutes, such as the Atomic Power Research Institute, which is basically involved in the study of reprocessing facilities to extract plutonium; the Nuclear Fuel Company, which plays a key role in nuclear development; the National Defense and Science Institute, which is exclusively responsible for the development of means for nuclear delivery; the Korea Chemical Research Institute, the Korea Electronics and Communication Institute, and others, are mobilized to develop nuclear weapons. About 15,000 engineers, including some 1,500 doctorate-holders, work for these institutes.

In particular, the Taedok Complex, where the less than 20 year old nuclear weapon development research institutes are located, serves as an integrated nuclear research base and as the headquarters for nuclear weapons development. The 6,813-acre complex has 65 research institutes and universities, some 20,000 researchers, and about 70,000 residents.

ROK reactors in operation, an important measure if nuclear development potential, number as many as 12, including three research reactors. These reactors discharge huge amounts of nuclear ash every year.

The ROK does not scrap used nuclear fuel but accumulates it instead. The quantity of plutonium 239 held by the ROK as of 1992 is said to be as much as 10 tons. The quantity will increase to about 24 tons by 2000. The persons in authority already signed a contract with the United Kingdom to jointly reprocess nuclear ash discharged from reactors in order to extract plutonium, which would in turn be used to make nuclear bomb. The persons in authority also invested enormous amounts of money into developing laser enrichment technology and developed (kurisenger) that can be used in separating highly enriched uranium. It was also confirmed that they import highly enriched uranium under the tightest secrecy from abroad by spending huge amounts of tax money which is paid by the sweat of the people's brow.

[Pak] The fact that the persons in authority are secretly producing and manufacturing nuclear bombs was also unveiled, was it not?

[Yun] Yes, it was. The persons in authority, while secretly importing special explosion-proof explosives—an important element for manufacturing nuclear bombs—from European countries, have had the Korea Explosive Company produce them secretly.

They secretly imported a millisecond super high-speed camera which is indispensable for experimentation with explosion-proof nuclear bombs. They even found a place to test nuclear bombs and mobilized various kinds of cannons and missiles that are capable of loading nuclear bombs, including 155 mm guns; 8 inch field guns; Honest John Ground to Ground Missiles; and (?Nike-Zeus) Ground to Air Missiles. They developed their own ground to ground missile with a maximum range of 252 km. This is not all. They even brought in many F4 and F16 fighter-bombers capable of dropping nuclear bombs.

The persons in authority are pushing ahead with preparations for actually using nuclear weapons in combat. They are conducting various kinds of large scale war exercises in succession, including the Team Spirit nuclear exercise.

As a matter of fact, the maneuver by the persons in authority to develop nuclear weapons and arm themselves with nuclear weapons constitutes a grave obstacle. Nevertheless, ROK and U.S. authorities, while fussing over the threat of the North's (?nonexistent) nuclear weapon development, deceive and make little of public opinion. This is designed to justify the continuous presence of U.S. nuclear weapons and nuclear bases in South Korea and their criminal maneuver to develop nuclear weapons.

[Pak] Yes, that is right. The move by the persons in authority to arm themselves with nuclear weapons poses a grave threat for peace in Asia as well as on the Korean peninsula. Therefore, the criminal maneuver by ROK and U.S. authorities to turn the ROK into a nuclear arsenal under the pretext of the North's nonexistent nuclear weapon development should be checked if denuclearization on the Korean peninsula and peace in Asia is to be attained. U.S. nuclear weapons should be withdrawn from this land completely, and maneuvers by ROK persons in authority to develop and arm themselves with nuclear weapons should be unconditionally and immediately stopped. The patriotic people of various strata should embark on the struggle to remove the U.S. nuclear weapons and nuclear bases. At the same time, they should more boldly stage the antinuclear movement to frustrate a sinister plan by the persons in authority to develop nuclear weapons. Well, thank you.

[Yun] Thank you.

KCNA Compares North, South Education Systems

SK1302052793 Pyongyang KCNA in English 1517 GMT 12 Feb 93

[Text] Pyongyang, February 12 (KCNA)—All students are educated free in the Democratic People's Republic of Korea.

The great leader President Kim Il-song has said:

"In our country people are enjoying long life and good health thanks to the free medical care system and all the people study to the best of their ability throughout their life and develop ceaselessly under the most advanced system of free compulsory education."

The DPRK Government took a measure to completely abolish tuition fees at all educational institutions in 1959. As a result, a system of universal free education from the kindergarten to the university has been established in the DPRK.

A student is granted a benefit of 16,000 won from the state in the whole period from the kindergarten to the university. This figure is tantamount to the wages of ten years and three months for a worker who is paid 130 won a month.

The state pays stipends to students of universities and colleges. Their stipends grew 33 percent on an average from February last year.

Students under the study-while-working educational system also receive free education. The state pays them the whole sum of their wages.

All the students engage in scientific research while studying to the best of their ability, the state guaranteeing them the right to learn. But in South Korea, students have to abandon their desire to learn because they cannot bear the school expenses jumping every year.

In South Korea, about 40 million won is needed for a child to go through the courses from the primary school to the university. This figure is a ridiculous amount which is more than the total amount of the wages for 11 years of a worker who receives 300,000 won a month. The school fees are 7 million won at primary schools, 6 million won at middle and high schools and 23 million won at universities in South Korea.

Besides, 226,000 won is additionally paid for supplementary lectures, supplementary teaching materials, environmental beautification, and so on.

School fees jumped sharply at the schools and universities at the beginning of this year, denying the students and children of poor families the opportunities of learning.

According to figures carried in a South Korean publication, in 1992, 150,000 middle and high school graduates could not go on to higher schools for the lack of school fees and as many as 10,000 students were expelled from middle and high schools just before their graduation, unable to pay the school fees.

154,000 students are going to "employment agencies" and roaming about labor markets to earn school fees. And a yearly increasing number of students commit suicide in despair, failing to pay school fees.

In South Korea, without money, no one can study, however ardently he wants to study or however talented he is.

Choe Chae-hyon of the policy study department of the national teachers union of South Korea deplored:

"In the new year, parents will have to tighten their belts to secure the school fees of their children with a jump of the tuition fees which is more than double the wage hike rate."

DPRK Envoy Presents Credentials to Iranian President

SK1402092393 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 11 Feb 93 9

[Text] Choe Yong-po, our country's newly appointed ambassador extraordinary and plenipotentiary to Iran, presented his credentials to Iranian President 'Ali Akbar Hashemi-Rafsanjani on 9 February.

At the meeting, the ambassdor conveyed the greetings from the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to President 'Ali Akbar Hashemi-Rafsanjani.

The president expressed deep gratitude for this and asked the ambassador to convey to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il his hearty greetings.

The president said that the Iranian people will invariably support the Korean people's struggle for the country's reunification as they did in the past.

Rafsanjani Meets SPA Delegation

SK1302235493 Pyongyang KCNA in English 1022 GMT 13 Feb 93

[Text] Pyongyang, February 13 (KCNA)—Iranian and Zimbabwean presidents and Malagasy prime minister expressed support to the Korean people's cause of national reunification.

Iranian President 'Ali Akbar Hashemi-Rafsanjani, when he met a delegation of the Supreme People's Assembly [SPA] of the Democratic People's Republic of Korea, said the Iranian Government is paying deep attention to the situation of the Korean peninsula and Korea's reunification. He stressed he sincerely wishes that the reunification of Korea will be realized at an early date. And, when he received credentials of the Korean ambassador to Iran, he said the Iranian people would in the future, too, as in the past, support the Korean people in their struggle for the country's reunification.

Zimbabwean President Robert G. Mugabe stressed that his people wish the Korean people greater success in the socialist construction and accomplishment of the cause of national reunification, when he met the Korean ambassador to his country.

And the Malagasy Prime Minister Guy Willy Razanamasy, when he met the Korean ambassador to his country, expressed support to the policy for national reunification advanced by the great leader President Kim Il-song in his New Year address.

Israel Denounced for Palestinian 'Massacre'

SK1502005693 Pyongyang Korean Central Broadcasting Network in Korean 2222 GMT 14 Feb 93

["Press statement" by the DPRK Foreign Ministry spokesman issued in Pyongyang on 14 February]

[Text] According to reports, after forcibly expelling some Palestinians recently, Israel continues to barbarously repress and massacre Palestinian people.

Some time ago, the Israeli Army attacked Palestinian people's houses in the West Bank of the Jordan River and Gaza Strip with helicopters and heavy weapons. The Israeli Army indiscriminately fired automatic rifles at empty-handed residents and destroyed a number of buildings, killing or injuring more than 900 people, including children.

This is a challenge to Article 799 of the UN Security Council resolution on the expulsion of Palestinian people and to international resolutions on the Palestinian issue. This kind of Israeli terrorism mocks the world's peaceloving people and may rupture the process of peace in the Middle East, which is becoming stalemated. We hold that the barbarous oppression and massacre of Palestinian people must stop immediately and their national rights must be recovered at an early date.

We will continue to extend support for and firm solidarity with the just struggle of the Palestinian people to recover their legal national rights, including the right to return to their country and the right to build an independent state.

[Signed] Spokesman of the DPRK Foreign Ministry

[Dated] 14 February 1993

Cambodian Delegation Arrives in Pyongyang 15 Feb

SK1602051293 Pyongyang KCNA in English 0436 GMT 16 Feb 93

[Text] Pyongyang, February 16 (KCNA)—A Funcinpec [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party delegation headed by its chairman and member of the Supreme National Council of Cambodia Samdech Norodom Ranariddh arrived here Monday by plane.

It was met at the airport by Yi Chong-ok, Politburo member of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and vice-president; Choe Tae-pok, alternate Politburo member and secretary of the C.C., the WPK; Chi Chae-yong, vice-director of a department of the C.C., the WPK; and Cho Kyu-il, vice-minister of Foreign Affairs, and many working people in the capital.

WPK Hosts Banquet for Visiting Tunisian Group

SK1602051593 Pyongyang KCNA in English 0447 GMT 16 Feb 93

[Text] Pyongyang, February 16 (KCNA)—The Central Committee [C.C.] of the Workers' Party of Korea [WPK] arranged a banquet Monday for the delegation of the People's Unity Party of Tunisia headed by its Deputy General Secretary Mohamed Bouchiha, on a visit to Korea.

Vice-director of a department of the C.C., the WPK Kim Yang-kon and Deputy General Secretary Mohamed Bouchiha made speeches.

Speaking at the banquet Mohamed Bouchiha said:

We have come to Korea to deepen friendship with the Workers' Party of Korea and the Korean people who are successfully building socialism under the wise guidance of the great leader Comrade Kim Il-song.

The great Comrade Kim Il-song is not only the leader of the Korean people but also the outstanding leader of the world revolution.

Noting that through the current visit to Korea he deeply realised that dear Comrade Kim Chong-il is the great man, he said he is very pleased to greet his birthday with the Korean people.

The chuche idea has brought a great reality in Korea, he said, and stressed: The amazing success of your country will give a great encouragement to us.

He strongly denounced the "Team Spirit 93" joint military exercises of the U.S. imperialists and the South Korean authorities. He said that they would actively support and encourage the Korean people's cause of national reunification.

He said his party already signed the Pyongyang declaration and it is very good that many parties are signing it.

The Korean people's cause of socialism under the wise guidance of the great leader Comrade Kim Il-song will emerge victorious without fail he said. He shouted the following slogans:

Long live socialism of Korea. Long live the chuche idea. Long live the singlehearted unity of the Korean people.

Foreign Leaders Support Reunification Efforts

SK1602030793 Pyongyang KCNA in English 2221 GMT 15 Feb 93

[Text] Pyongyang, February 15 (KCNA)—Foreign party and state leaders expressed support to the Korean people's cause of national reunification, when they recently met the Korean ambassadors to their countries.

Nursultan Nazarbayev, president of Kazakhstan, said he fully supports the policy for the country's reunification through confederation set forth by respected President Kim Il-song. Referring to the development of friendly relations between Kazakhstan and Korea, he stressed the Kazakh people respect the socialism chosen by the Korean people themselves.

Bangladesh President Abdur Rahman Biswar voiced support to the cause of national reunification of the Korean people.

He expressed satisfaction over the favorable development of the relations of friendship and cooperation between his country and Korea, saying he wishes that the relations would further expand and develop in all spheres in the future, too.

Abdel Hamid Mehri, general secretary of the C.C., the Algerian National Liberation Front, expressed full support to the policy of President Kim Il-song to achieve the country's reunification through confederation based on one nation, one state, two systems and two governments on the principle of national independence, terming it the most feasible one.

The "Team Spirit" joint military exercises and nuclear inspection row of the U.S. and the South Korean authorities are wholly unjustifiable, he said, adding that the Algerian National Liberation Front would actively strive for the sustained development of traditional relations of friendship and cooperation with the Workers' Party of Korea.

Western Economists Report Worsening Economy

OW1402110193 Tokyo KYODO in English 1014 GMT 14 Feb 93

[Text] Beijing, Feb. 14 KYODO—The North Korean economy shrank 5 percent in 1992 for a third consecutive year of decline featuring sharp falls in both industrial and farm production, said a report compiled by Western economists in Pyongyang.

The country's industrial production and agricultural production both plunged 10.2 percent, while trade contracted 7.5 percent to 2.5 billion dollars, the report said.

Economists at Western embassies in Pyongyang compile reports on the North Korean economy every year by exchanging information they obtain. The North Korean government does not release any economic statistics of its own.

The greatest factor leading to the country's economic slump was the end of economic assistance from the former Soviet Union and East European countries following the demise of communist regimes in these countries, the report said.

In the industrial sector, electricity generation dropped 9.4 percent to 29 billion kilowatts in 1992 from 32 billion in the previous year, while coal production fell 4.1 percent to 47 million tons from 49 million.

While steel output remained unchanged, iron ore production declined to 11.5 million tons from 12.4 million.

The economists said they believe the country will achieve only 30 to 40 percent of the production targets set in the government's economic growth program for the seven-year period ending in 1993.

In the farm sector, grain production fell 2 percent to 5.8 million tons, while per-capita consumption of grain amounted to 360 to 390 kilograms in 1993, far below the international standard of 500 kilograms.

In the seven-year plan, the North Korean government has set an annual grain production target of 15 million tons.

Pyongyang announced that the country's grain output surpassed 10 million tons in 1984.

On the international front, the report says the country's trade dropped 7.5 percent to 2.5 billion dollars.

Its trade with nations of the former Soviet Union plummeted 23 percent to 630 million dollars, while trade with China fell 1.7 [as received] to 600 million dollars.

But trade with Japan increased 3.9 percent to 530 million dollars, and trade with South Korea went up 1.6 percent to 220 million dollars, the report said.

Kim Chong-il Sends Message to Military Commission

SK1302092893 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 12 Feb 93

[Text] Comrade Kim Chong-il, the dear leader of our party and people and the supreme commander of the Korean People's Army [KPA], sent a thank-you message of the party Central Military Commission and the supreme commander to the soldiers of the 9th KPA squad to which belongs Comrade Cho Tong-chun, who set an example in the Army-people relations.

Toward the end of December last year, a deliverer and a driver, who were working at a supply department of a plant, were driving a truck loaded with marine products to be supplied to plant employees for a New Year holiday.

The truck could not move on the winding, slippery, snow-covered road. Officers of the Ninth Squad to which Comrade Cho Chong-chun belongs noticed this fact and hurried to the scene. After telling the plant deliverer and the driver not to worry about the truck, the officers supplied them with food and a place to sleep.

Early the next morning, the soldiers of the Ninth Squad cleared the five kilometers of heavy snow. They waged the arduous struggle to pull and push the truck for six hours. By so doing, they managed to get the truck out of the two hills safely.

The deliverer and the driver, touched by the soldiers' behavior, asked them to which unit they belong. They, however, said that they were just fulfilling their duty as soldiers of Comrade supreme commander. They returned without revealing their unit and names.

A meeting to deliver the thank-you message of the party Central Military Commission and the supreme commander sent by Comrade Kim Chong-il, KPA supreme commander, was held yesterday.

Vice Marshal Comrade Choe Kwang, member of the Political Bureau of the Central Committee of the Workers Party of Korea and chief of the KPA General Staff, and other soldiers attended the meeting.

Comrade Choe Kwang delivered the thank-you message of the party Central Military Commission and the supreme commander at the meeting. Officer Cho Tong-chun, Private First Class So Ki-nam, and Commissioned Officer Chon Tae-nam participated in resulting discussions.

A letter of pledge to Comrade Kim Chong-il, the dear leader of our party and people and KPA Supreme Commander, was adopted at the meeting.

Party Military Commission Hails Support for Army

SK1602042693 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 14 Feb 93

[Text] A thank-you note from the Military Commission of the Central Committee of the Workers Party of Korea [WPK] was delivered to members of the three revolutions team dispatched to South Pyongan Province for sincerely supporting the heroic Korean People's Army [KPA] soldiers who are firmly defending the outposts of the fatherland.

Upholding the intent of the great leader Comrade Kim Il-song and the dear leader Comrade Kim chong-il to actively support KPA soldiers and to bring the traditional laudable custom of Army-people unity into full bloom, members of the three revolutions team dispatched to South Pyongan Province visited a KPA unit on 7 February.

On this day members of the three revolutions team gave soldiers of the unit various gifts, including party flags, flags of the Republic, banners, and daily necessities—amounting to 30 truckloads—which had been arranged with sincerity on the occasion of the 20th anniversary of the start of the three revolutions team movement. Thus, they wished the soldiers success in their military and political training.

Along with these gifts members of the three revolutions team put on an art performance for the soldiers to deepen Army-people unity.

Encouraged by the support and the art performance of the members of the three revolutions team dispatched to South Pyongan Province, the soldiers expressed their determination to firmly defend the outposts of the fatherland, cherishing deep in their hearts the honor of being fighters of comrade supreme commander.

A meeting to deliver the thank-you note of the Military Commission of the WPK Central Committee was held on the scene on 13 February. Comrade So Yun-sok, member of the Political Bureau of the WPK Central Committee, responsible secretary of the South Pyongan povincial party committee, and chairman of the South Pyongan Provincial People's Committee, and other functionaries attended the meeting together with members of the three revolutions team dispatched to South Pyongan Province.

Comrade So Yun-sok delivered the thank-you note of the Military Commission of the party Central Committee at the meeting. Following this, Kim Yong-chon, officer in charge of the three revolutions team of Naebom Cooperative Farm in Kaechon city; Kim Sun-an, an officer in charge of the three revolutions team of the (?Food) Administration Station of Pyongwon county; and Pae In-ho, director of a section of the Songchon County party committee, participated in discussions. A resolution was adopted at the meeting.

KCNA Reviews 16 Feb Pyongyang Press

*SK1602113393 Pyongyang KCNA in English
1036 GMT 16 Feb 93*

[Press review]

[Text] Pyongyang, February 16 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song met with the general secretary of the central committee of the New Communist Party of Great Britain and news that the dear leader Comrade Kim Chong-il received a gift from the Central Committee of the New Communist Party.

On the occasion of the significant holiday of February, NODONG SINMUN and MINJU CHOSON run editorials under the respective titles "Our Socialist Cause Advancing Under the Banner of the Glorious Party is Ever Victorious" and "Ever Victorious is the Socialist Cause of Our People Advancing Under the Leadership of the Great Party".

The press reports that on his birthday, Comrade Kim Chong-il received a flower basket from the president of the state of Palestine and a flower basket and a congratulatory letter from the diplomatic corps in Korea. Also seen in the press are congratulatory messages to him sent by the Central Committee of the South Korean National Democratic Front and Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan, and by party and state leaders of different countries on this occasion.

The press informs the readers that the Central Committee of the Workers' Party of Korea arranged a banquet on the occasion of the birthday of Comrade Kim Chong-il.

NODONG SINMUN and MINJU CHOSON devote much space to photographs and articles under the respective titles "It Is Unshakable Faith of Our People To Follow the Party" and "Boundless Is Our Honour of Upholding the Leadership of Dear Comrade Kim Chong-il", showing the singlehearted unity of the Korean people around the dear leader.

Given in the press are accounts of grand celebrations of the birthday of the dear leader held in many countries of the world as an international common jubilee and of a central meeting of Koreans in Japan held to celebrate his birthday.

Appearing in the press are a report that thanks of the Central Military Committee of the Workers' Party of Korea were conveyed to the three-revolution team members dispatched to south Pyongan Province who sincerely assisted the People's Army soldiers giving a notice on the convocation of the 8th Congress of the League of Socialist Working Youth of Korea and an account of a presentation meeting of the electric locomotive "Youth Vanguard" held to greet this congress.

NODONG SINMUN runs an article titled "Unity of Anti-imperialist Independent Forces Is Urgent Requirement of the Times".

KCNA on 15 Feb NODONG SINMUN

*SK1502051393 Pyongyang KCNA in English
0456 GMT 15 Feb 93*

[Review of NODONG SINMUN]

[Text] Pyongyang, February 15 (KCNA)—NODONG SINMUN today carries news that the New Year address of the great leader President Kim Il-song was reported in different countries.

Appearing in the daily is a letter the dear leader Comrade Kim Chong-il sent to the party cell members of the high-speed tunnelling workteam of the sadong pit of the Tokchon coal mine of the Tokchon district coal mining complex in South Pyongan Province, in reply to their letter. Seen there is a letter of the party members.

Comrade Kim Chong-il sent thanks to the soldiers of the unit of the Korean People's Army [KPA] to which Comrade Cho Tong-chun belongs who set an example of Army-civilian relations and to the parents of former PFC of the KPA unit to which Comrade Tong Yong-il belongs, hero An Tong-hyok who saved his revolutionary comrades and defended his post at the cost of his life, says the daily.

The paper reports that Comrade Kim Chong-il extended thanks to the workers, technicians, office employees and three-revolution team members who contributed to the building of welded pipe production base of the Sunchon coal mining machine plant. Given in the daily is an account of a commissioning ceremony of the automatic welded pipe shop newly built in the plant.

Carried in the daily are a message of thanks to Comrade Kim Chong-il sent by Juan Ramos, general secretary of the Communist Party of the Peoples of Spain, upon leaving Korea after visiting it, and words of foreigners praising immortal feats of Comrade Kim Chong-il.

The daily gives accounts of a symposium of officials of working people's organisations held in Pyongyang, celebration meetings held in different countries, the 6th Executive Committee meeting of the Board of the International Institute of the Chuche Idea held in Paris and of a central lecture given in Tokyo, on the occasion of the birthday of Comrade Kim Chong-il.

A bulletin of the Burundi-Korea Friendship Association carried an article on the first anniversary of the publication of "The Historical Lesson in Building Socialism and the General Line of Our Party", a classical work of Comrade Kim Chong-il, reports the daily.

According to the daily, more than 1.4 million people visited the old home of Comrade Kim Chong-il at the Mt. Paektu secret camp over the past six years, and rare flowers, trees and medicinal herbs continue to come from different countries.

The daily informs the readers that the DPRK ambassador presented his credentials to the Romanian president and the Central African president received the DPRK ambassador.

The daily reports that talks between the delegations of the Workers' Party of Korea [WPK] and the Workers' Party of Turkey and between a secretary of the C.C. [Central Committee], the WPK and the general secretary of the C.C., the New Communist Party of Great Britain were held in Pyongyang and foreign party delegations arrived in Pyongyang.

Printed in the daily is a press statement of a spokesman for the DPRK Foreign Ministry denouncing the suppression and murder of Palestinians by Israel.

Published in the daily is news that the Secretariat of the Committee for the Peaceful Reunification of the Fatherland issued its Information No. 621 condemning the brutal suppression of pro-reunification patriotic forces by the South Korean authorities.

World public circles, South Korean people and overseas Koreans denounced the "Team Spirit" joint military exercises of the U.S. imperialists and the South Korean authorities, reports the daily.

The daily in a semi-monthly review of the situation of South Korea exposes that the South Korean authorities are resorting to fascism and war manoeuvres.

It comments on scandals surrounding university entrance exam revealed in South Korea recently.

The world news of the daily includes reports that the Burundian president stressed the validity of the policy of national unity, the Ugandan president called for strengthening military discipline and the 14th anniversary of the victory of the Islamic revolution was celebrated in Iran.

The daily reports about the recent situation in Afghanistan.

KCNA on 13 Feb Pyongyang Press

SK1302070293 Pyongyang KCNA in English 0521 GMT 13 Feb 93

[Press review]

[Text] Pyongyang, February 13 (KCNA)—Papers here today report that the great leader President Kim Il-song received men and women of culture and art.

Carried in the press is news that "With the Century", the reminiscences of President Kim Il-song, and his new year address were disseminted and studied in different countries.

The military attaches corps here presented a floral basket and a congratulatory letter to the dear leader Comrade Kim Chong-il, says the press.

Comrade Kim Chong-il's works "On the Fundamentals of Revolutionary Party Building" and "The Historical Lesson in Building Socialism and the General Line of Our Party" were disseminated and studied in Bangladesh and India, according to the press.

NODONG SINMUN reports that Comrade Kim Chong-il sent thanks to the officials, wolkers, technicians and three-revolution team members of the youth electric appliances complex. The daily gives an account of a ceremony for its commission.

It is reported in the daily that more than 400 works of Comrade Kim Chong-il were published in national languages in scores of countries and studied on a worldwide scale.

Figuring large in the press is news that functions took place in different countries and the Cuban Ambassador to Korea arranged a party on the occasion of the February holiday.

NODONG SINMUN carries an article on the conversion of the northern inland area along Tumen River into an area of bumper harvest under the wise guidance of Comrade Kim Chong-il.

The daily introduces the feats performed by the builders, youth shock-brigade members and helpers in the projects for erecting the immortal monument inscribed with the ode written by President Kim Il-song on the occasion of the 50th birthday of Comrade Kim Chong-il and for electrifying the northern railway (Hyesan-Manpo line).

The daily gives much space to a political essay headlined "There Is a Great Party for Korean Young People".

The DPRK ambassador to Iran presented his credentials to the Iranian resident, repots the daily. According to the daily, a joint statement between the Workers' Party of Korea and the Broad Left Democratic Front of Ecuador was published, the general secretary of the Communist Party of the Peoples of Spain stressed tht Korea is a precious example for the world people and a delegation of the Norwegian Communist Party laid emphasis on waging a vigorous struggle to implement the Pyongyang declaration.

The second international figure-skating tournament for "Paektusan prize" opened in Pyongyang, says the press.

Papers convey a report that the spokesman for the preparatory committee of the 8th congress of the League of Socialist Working Youth of Korea gave answers to questions raised by the KCNA as regards invitation of delegates of Chondaehyop [National Council of University Student Representatives] and other democratic youth organisations of South Korea to the congress.

The press rounds up voices of the world public denouncing the "Team Spirit" joint military exercises.

NODONG SINMUN in a commentary condemns the South Korean authorities for brutally suppressing the funeral process of a former "comfort woman for the army".

Papers come out with commentaries rapping at the United States and the South Korean authorities for talking about "special inspection" of the North.

The U.S. imperialists and the South Korean puppets continued to commit war exercises against the North, reports the press.

Papers give an account of a lecture on the subject of reunification given by Father Mun Kyu-hyon who was put on parole.

NODONG SINMUN runs an article exposing the general catastrophe of South Korean society including economic bankruptcy, decadent trend, depravity, irregularities, corruption and social disorder.

Papers carry accounts of an inaugural meeting of the Russian Committee for the Promotion of Korea' Reunification (ASOK) in Moscow and an annual meeting of the Mozambican Committee for Friendship with the DPRK.

International news columns of the press include reports that the Zambian president supported the Cuban Government's stand on the idea of the non-aligned movement, the Indonesian president referred to the matter of cooperation among the ASEAN countries, the Lebanese prime minister flailed the false propaganda of a U.S. publication and the chief of the general staff of the Cuban Revolutionary Armed Forces outlined the last year's achievements in national defence.

The press observes the first anniversary of the opening of diplomatic ties between Korea and Armenia.

NODONG SINMUN carries an article exposing the atrocities of the germ warfare committed by the Japanese militarists during the Korean war.

South Korea

DPRK May 'Partially' Accept Special Inspections

SK1602001793 Seoul KBS-1 Radio Network in Korean 2200 GMT 15 Feb 93

[Report by Vienna-based correspondent Cha Man-sun]

[Text] To escape international isolation resulting from its total rejection of special nuclear inspections, North Korea informed the International Atomic Energy Agency [IAEA] that it can partially accept special inspections through negotiations with the IAEA.

On 15 February, tbe deadline for the reply to the IAEA request for special inspection, North Korea hastily dispatched its roving ambassador Kim to the IAEA to inform it that North Korea will send a special negotiation team this week to discuss the issue of accepting special inspections.

(David Kid), IAEA's public relations director, said yesterday afternoon that the North Korean side informed the IAEA that it would like to reach a conclusion on the issue of accepting the special inspection through negotiations and that Choe Hak-kun, North Korean minister of Atomic Power Industry, will visit the IAEA for this purpose this week.

The IAEA, therefore, has canceled the special Board of Governors meeting which was supposed to be held on 18 February and is formulating measures for negotiations with North Korea.

DPRK Threatens To Repeal Agreement

SK1602105093 Seoul YONHAP in English 1040 GMT 16 Feb 93

[Text] Tokyo, Feb. 16 (YONHAP)—North Korea threatens to repeal the nuclear inspection agreement it had signed with the International Atomic Energy Agency (IAEA) if the IAEA decides on special nuclear inspections of North Korea, the YOMIURI SHIMBUN of Japan here reported in a dispatch from Moscow Tuesday.

Quoting an ITAR-TASS report, YOMIURI said North Korea's Ambassador to Russia Son Song-pil told a press conference in Moscow on Feb. 15 that his country may scrap the agreement if a special IAEA Board of Governors meeting decides on special inspections of his country.

Son reportedly said that the two places which IAEA officials like to visit are military installations. "Therefore, we cannot accept the IAEA demand under any circumstances," Son was quoted as saying.

The North Korean diplomat claimed that since the two military installations at issue have nothing to do with nuclear facilities or materials, "they cannot be subject to IAEA inspections." But IAEA experts suspect that the two sites may be underground nuclear waste storage facilities.

DPRK Said Willing To Work With IAEA

SK1402045493 Seoul HANGYORE SINMUN in Korean 14 Feb 93 p 2

[Report by Tokyo-based correspondent Kim Hyo-sun]

[Text] North Korea warned that if the ROK and the United States attempt to use the nuclear issue for military and political purposes, it would take self-defensive measures. However, in contrast to its outwardly rigid stance, North Korea showed a flexible attitude by conveying its intent to the International Atomic Energy Agency [IAEA] that it "is willing to work jointly with" the IAEA, according to a SANKEI SHIMBUN report from Washington on 13 February quoting a U.S. source.

ROK To Help IAEA With DPRK Nuclear Issue

SK1502043993 Seoul KYONGHYANG SINMUN in Korean 15 Feb 93 p 1

[Text] As it is now evident that North Korea will turn down the International Atomic Energy Agency's [IAEA] request for a special inspection of its two nuclear facilities in Yongbyon, the ROK Government has been formulating measures for the action the UN Security Council may take when the North Korean nuclear issue is officially referred to the UN Security Council. A high-ranking government official concerned disclosed on 14 February: In dealing with the North Korean nuclear issue, the government has maintained the policy of achieving inter-Korean mutual nuclear inspection, which is, as it were, "the principle of letting the North and the South work out the solution themselves." However, since North Korea maintains an extremely hawkish attitude, as revealed in a recent NODONG SINMUN article which repeated North Korea's resolve to reject the special inspection and mentioning its readiness to take self- defensive measure, we have changed government policy to one of active cooperation with the IAEA decisions.

Accordingly, the government has decided to make active diplomatic efforts to help the UN Security Council adopt a resolution on North Korea if the 18 February IAEA special council and the 22 February IAEA regular Board of Governors meeting adopt the issue of special inspection of the North Korean nuclear facilities as their official agenda and refer it to the UN Security Council. In this regard, the government is planning to hold an ad hoc meeting of the relevant government ministries and departments this week to formulate a specific strategy. The government has decided to explain its position through diplomatic channels to the United States, a permanent member of the Security Council which has dealt with the North Korean nuclear issue from the same stance as we have; Japan; Britain; France; and other EC countries to request their cooperation. The government is also planning to fully explain its position to Russia and China, which have supported the denuclearization of the Korean peninsula, and to request their cooperation. The government has decided to make an all-out effort to dissuade China from exercising its veto against the passage of the resolution on North Korea at the Security Council, because China is the only country that might exercise its right of veto on this issue.

Ministry Official Gives Briefing

SK1602021093 Seoul YONHAP in English 0159 GMT 16 Feb 93

[Text] Seoul, Feb. 16 (YONHAP)—The International Atomic Energy Agency (IAEA) may still call a special Board of Governors meeting and South Korea will continue negotiations with the IAEA and other countries for a special inspection on North Korea, officials here said Tuesday.

"The IAEA may convene a special meeting if it decides North Korea's explanations on its suspected nuclear activities are insufficient," Hwang Yong-sik, deputy director-general for International Organizations Bureau of the Foreign Ministry, told a press briefing.

The agency seeks explanations for the inconsistencies between North Korea's report to the IAEA last April and IAEA analysis of Pyongyang's nuclear activities and for the two facilities believed to be nuclear material storage facilities.

"North Korea only said it will discuss the inconsistency. It said nothing about special inspection on the two facilities," Hwang said.

The IAEA has announced that North Korean Nuclear Industry Minister Choe Hak-kun is to come to its Vienna headquarters this weekend to discuss the agency's demand for a special inspection.

Choe's visit was announced as the IAEA was about to call an extraordinary board session during the week to demand the special inspection.

The IAEA has never conducted a special inspection before.

Board members are likely to renew a call for the unprecedented inspection if Choe's explanations are not enough, and the special board meeting may be called even after the regular board session Feb. 22-26, Hwang said.

"We will closely watch the IAEA's moves and keep in close consultation with other countries to prepare for this possibility," he said.

South Korean Ambassador to Vienna Yi Si-yong and Foreign Ministry Director-General for International Organizations Keum Chung-ho are to represent Seoul at next week's regular board meeting.

'High-Level' Group to IAEA

SK1302124393 Seoul KBS-1 Television Network in Korean 1210 GMT 13 Feb 93

[By reporter Yi Kwang-tok]

[Text] A high-ranking ROK Government official said today: Whether to conduct special inspections [tukpyolsachal] of North Korea is the right of the International Atomic Energy Agency [IAEA]. The nuclear issue, however, is an important issue related to our nation's destiny. Therefore, to clearly express our government's position on the North Korean nuclear issue, the ROK Government is planning to send a separate high-level delegation to the IAEA meeting.

This official also said: The high-level delegation to be sent to a special IAEA Board of Governors meeting will be led by an ambassadorial-level official of the Foreign Ministry and composed of working-level officials of the Science and Technology Ministry and other government ministries. The delegation will be sent early next week and join with Ambassador Yi Si-yong and other delegates in Austria.

He also said: During the special Board of Governors meeting, which will be held to adopt a resolution to conduct special inspections of North Korea, the high-level delegation will meet with delegates of various countries, inform them of the North Korean side's wrong attitudes over the nuclear issue, and stress a need to resolve the North Korean nuclear issue.

He also said: The North Korean side is expected to launch political offensives with regard to the Team Spirit exercise at the special Board of Governors meeting and the regular Board of Governors meeting to be held on 22 February. The high-level delegation will also carry out activities against this possibility.

He also said: The high-level delegation will also carry out activities to gather correct information on North Korea's nuclear program in close cooperation with the IAEA, the United States, and Russia.

IAEA Postpones Discussion of DPRK Inspections

SK1602010593 Seoul YONHAP in English 0053 GMT 16 Feb 93

[Text] Berlin, Feb. 15 (YONHAP)—North Korean officials will visit Vienna this weekend to meet with the International Atomic Energy Agency (IAEA) to discuss a special nuclear inspection, the agency announced Monday.

A special IAEA Board of Governors meeting would not now be convened this week, and the matter would be raised in the regular board meeting that starts on Feb. 22, a spokesman said.

North Korean Ambassador to Vienna Kim Kwang-sop visited IAEA headquarters Monday morning and notified the IAEA that Nuclear Industry Minister Choe Hak-kun would come at the weekend.

In its first official disclosure of discrepancies in North Korea's initial report on its nuclear facilities and materials from last April, the IAEA said that the purpose of the special inspection "would be to clarify significant inconsistency in samples and measurements."

Suspicion has been mounting over two unreported sites, believed to be nuclear material storage facilities. South Korean and Western officials fear that North Korea has produced more weapons-grade plutonium than it admitted in the report and is hiding it.

Choe and a team of North Korean nuclear experts will explain the inconsistencies, the IAEA spokesman quoted Kim, a son-in-law of North Korean leader Kim Il-song, as saying.

Sources said, however, that Kim repeated North Korea's claim that the suspected facilities are military installations unrelated to any nuclear activities.

Choe may deliver North Korea's official position on accepting an IAEA special inspection, but he is more likely to try to weaken the pressure for the inspection by offering a partial explanation for the suspected sites, according to an IAEA official.

DPRK Inspections Issue 'Test' of IAEA's Power

SK1302053093 Seoul THE KOREA HERALD in English 13 Feb 93 p 2

[By staff reporter Kim Hye-won]

[Text] The North Korean nuclear issue has again been brought to international attention as the International Atomic Energy Agency (IAEA) formally demanded that North Korea accept unprecedented "special inspections."

One South Korean official pointed out that the current controversy over the North Korean nuclear program at the IAEA indicates that the issue is no longer a bilateral one between the two Koreas. Nor is it an object of concern among only a handful of Western countries such as the United States and Japan, noted the official.

He said the issue has become so important that it will test the power of the IAEA. It will also measure the will of the new U.S. administration over its commitment to nuclear nonproliferation issues in the world.

The debate over North Korea's nuclear ambition played out for the most part between the two Koreas last year after the Communist country signed a nuclear safeguards accord with the IAEA and accepted the agency's inspections.

South Korea, with the full support of the United States, insists that bilateral inspections are also necessary to verify denuclearization on the Korean Peninsula.

But so far the inter-Korean negotiations on bilateral nuclear inspections have produced no substantial outcome hitting a deadlock last month.

"New" U.S. intelligence reports concerning North Korea's plutonium extraction became available around that time.

The IAEA's demand to see the two buildings near Yongbyon was based on that intelligence report, which states that nuclear wastes which could provide critical evidence of plutonium manufacturing are stored in the two buildings.

Suspicion mounted as North Korea refused to allow an IAEA inspection team to visit the sites early this month, claiming that they have nothing to do with nuclear activities.

Instead, it accused the United States, South Korea and the IAEA of trying to spy on military facilities.

Observers in Seoul believe that the IAEA has another important reason to be resolute over the North Korean case. Its reputation is at stake. If it fails to solve the North Korean question, the IAEA, whose credibility was questioned following the Iraqi case, will not be able to effectively investigate other countries with suspicious nuclear programs.

In this sense, the North Korean case is a litmus test of IAEA powers.

The agency plans to call an extraordinary meeting of its board of governors before its regular session Feb. 22-26 if North Korea does not accommodate the request for a special inspection.

Under IAEA regulations, however, special inspections are distinguished from ad-hoc or regular inspections only in that the inspection is implemented on facilities designated by the agency.

The IAEA needs prior consultations with North Korea in order to implement a special inspection, and therefore, there is no way to carry out inspections if North Korea refuses.

All it can do is protest and halt the agency's financial and other supports to the country.

Agency officials were suggesting that they may bring the issue to the U.N. Security Council for this reason. But South Korean officials doubt whether the council can decide on measures to pressure North Korea.

First of all, they say, it is not likely that all UNSC members will act together, as they did in dealing with the Iraq case. Moreover, China is not expected to willingly join the other powers in imposing any form of sactions against North Korea.

Neither is the United States likely to take immediate actions on its own.

Diplomatic observers in Seoul say such an action will be possible only after President Clinton completes appointment of new officials who will deal with East Asia policy.

In addition, Washington is facing more urgent foreign policy issues such as Somalia, the conflicts in the former Yugoslavia and the Middle East peace talks, they say.

The United States will, therefore, allow the IAEA to deal with the problem for some time, providing indirect support only, the observers forecast.

Russia, PRC Not Expected To Oppose IAEA, UNSC

SK1502014293 Seoul YONHAP in English 0118 GMT 15 Feb 93

[Text] Seoul, Feb. 15 (YONHAP)—Russia and China are not expected to oppose a request by the International Atomic Energy Agency (IAEA) for United Nations Security Council [UNSC] action against North Korea, a South Korean Government official said Monday.

North Korea was set to reject the IAEA request for a special inspection of undeclared installations at Yongbyon, north of Pyongyang, where North Korea is suspected of developing nuclear weapons.

The IAEA has not set a deadline for North Korea to reply to its request, but it plans to convene the 35-nation Board of Governors Feb. 18 to discuss the issue if North Korea refuses or ignores the IAEA request, according to IAEA officials in Vienna. It is highly likely the IAEA will refer the North Korea nuclear issue to the Security Council following the board meeting.

If it does, Russia and China, North Korea's allies during the Cold War, are not expected to oppose the Security Council taking up the question, the South Korean official said, asking for anonymity.

The Security Council cannot pass a resolution if any of the five permanent members—the United States, Britain, France, Russia, and China—oppose. It has also to obtain yes votes from nine of the 15 member countries.

'Source': DPRK Changes All Telephone Numbers

SK1502074793 Seoul YONHAP in English 0742 GMT 15 Feb 93

[Text] Beijing, Feb. 15 (YONHAP)—North Korea has changed every single telephone number in the cloistered country, effectively barring all contact with the outside world, an informed source here said Monday.

"Telephone numbers throughout North Korea have been changed, so I just couldn't make it," the source, well tuned to the situation in North Korea, said of several attempts recently to contact his acquaintances inside the country.

"I queried the North Korean embassy here about the new numbers, but they refused to answer and gave no reason," he said.

While the reason for the change is not known, observers in China speculate that it is to prevent information on communal turmoil, reportedly rampant, and the ill health of President Kim Il-song from reaching the outside world.

There are reports that not only the telephone numbers of public offices but also those of ordinary people have been classified as first-grade secrets.

Kim Il-song Son-in-law Appointed Envoy to Austria

SK1502123793 Seoul YONHAP in English 1226 GMT 15 Feb 93

[Text] Seoul, Feb. 15 (YONHAP)—North Korea has recently replaced Han Min-chol, ambassador to Austria, in three months after his assumption of the Vienna duty, and named Kim Kwang-sop, age 41, to succeed Han as ambassador to Austria.

According to the NAEWOE Press Monday, new Ambassador Kim is the husband of Kim Kyong-jin who is half sister of Kim Chong-il as she was born between Kim Il-song and his present wife, Kim Song-ae.

Kim Kwang-sop served previously as North Korean ambassador to Czechoslovakia from February 1985 through September 1990.

Japanese Companies Unimpressed by DPRK Laws

SK1402105193 Seoul KBS-1 Radio Network in Korean 1012 GMT 14 Feb 93

[Text] According to a Japanese Government official and several businessmen, Japanese companies are showing a cold response to North Korea's announcement of new laws for the promotion of foreign investment, which targeted Japanese companies.

The Japanese official and the businessmen said that Japanese companies demand that North Korea first show that it follows a normal economic system by normalizing diplomatic relations with Japan and by repaying debts if it wants funds and technology from Japan.

'War Prisoner' Yi In-mo Hospitalized in Pusan

SK1302114093 Seoul YONHAP in English 1134 GMT 13 Feb 93

[Text] Pusan, South Korea, Feb. 13 (YONHAP)—Yi In-mo, 76, former North Korean war correspondent, is being treated at the Pusan National Univerity Hospital because of his lung inflammation, a hospital spokesman said Saturday.

Yi was transferred to the hospital by the police that holds him under house custody Friday as he showed a symptom of severe cold since Wednesday.

The communist in the capitalist South Korea is suffering inflammation in his left lung, the spokesman said, adding that the close checkup will tell if he has cancer.

It is unlikely that Yi will recover completely despite the intensive care owing to his old age resulting in the weak resistability against the disease, he said.

Yi, who still refuses to approve of the political and social establishment of South Korea, was behind bar for 34 years and released in October 1988.

He was captured at Mt. Chiri in South Cholla Province while working as a war reporter for North Korean partisans active on the mountain several months after the outbreak of the three-year Korean war.

North Korea called for Yi's repatriation, labeling him "a war prisoner" during the seventh round of the inter-Korean prime ministers' talks in Seoul last year.

Trade Delegation To Visit U.S. After Inauguration

SK1602075593 Seoul TONG-A ILBO in Korean 16 Feb 93 p 2

[Text] The government plans to dispatch a delegation to the United States in early March, immediately after the next government is inaugurated, in a bid to ease the United States' trade pressure on the ROK and to adjust views on impending trade issues between the two countries.

The delegation will be headed by Ho Sung, second assistant foreign minister, and will consist of relevant officials from the Economic Planning Board, the Ministry of Trade and Industry, the Ministry of Agriculture, Forestry, and Fisheries, and the Ministry of Finance. The delegation will stay in the United States for about a week and meet with high-ranking officials from trade-related organizations and agencies including the Department of State and the U.S. Trade Representative. The delegation will exchange views on overall impending trade issues with them.

Farmers Rally Against Opening Rice Market

SK1302104193 Seoul YONHAP in English 1033 GMT 13 Feb 93

[Text] Taejon, South Korea, Feb. 13 (YONHAP)—Some 500 farmers and local citizens held a rally for anti-rice market opening at a plaza in front of Taejon railway station Saturday.

Kim Eun-ho, president of a district chapter of the National Agricultural Cooperative Federation (NACF), said that the farm business in South Korea was sacrificed by the economic development-oriented policy.

He urged the crowd to play a leading role in preserving the national history and culture by protecting the domestic rice market from the foreign produce, saying that the agriculture should not be a scapegoat anymore.

"We make certain that the agricultural products grown only on the Korean soil are most suitable for our taste and secure our healthy life," they said in a resolution.

Determining to drive out all farm imports, they marched to the city hall one kilometer away from the rally site.

Meanwhile, a letter Song Min-je, nine-year old elementary school boy, wrote to U.S. President Bill Clinton, was made public as one item of the rally program.

Song asked the American President to stop the U.S. pressure on the Korean rice market opening that will sure obliterate the Korean farm villages in the letter.

ROK To Introduce Duties on Farm Imports

SK1502085293 Seoul YONHAP in English 0842 GMT 15 Feb 93

[Text] Seoul, Feb. 15 (YONHAP)—Korea will begin a gradual shift from ad valorem to specific import duties on farm products, textile goods and footwear late next year at the earliest, the Finance Ministry said Monday.

The government had decided to make the change to reduce the damage being done by a flood of cheap foreign products, Kim Chong-hwan, director-general of the ministry's customs and tariff bureau, said.

A specific duty is a fixed sum for each unit of quantity or weight, while an ad valorem duty is charged as a percentage of the value.

Imports liable to fixed duty are likely to be farm products, low-priced manufactured goods, labor-intensive light industrial products in which Korea is uncompetitive, and crude oil, petrochemical goods, coal and steel, whose internatonal prices fluctuate severely.

The government will set the rate on the basis of the ad valorem duty and add a concessional tariff when adjustment is needed to sharpen the competitive power of a domestic industry.

If a tariff is nonconcessional, the rate will be decided in view of tariff tables of major trading partners to avoid trade friction.

The Finance Ministry had set up a task force to introduce the new tariff system with the Economic Planning Board, Trade and Industry Ministry, and the Fisheries and Customs Administrations, Kim said.

The task force will select items for the duty and search for industries to be protected from cheap foreign goods in the first half of the year to enforce it from late next year after revision of the customs law.

Specific duties have been levied on motion pictures and video tapes since 1979. They are currently the only imports that are subject to a spcific duty, and the rest are ad valorem.

Advanced countries employ specific duties on a partial basis to protect their farm industries and labor-intensive industries that are uncompetitive.

The United States taxes an average 12.9 percent of its imports with a specific duty, and 39.4 percent for agricultural products; the EC, 1.5 percent (5.8 percent for farm produce); Japan, 5.4 percent (7.3 percent for farm produce); and Taiwan, 2 percent (7 percent for farm produce).

No 'Tangible Agreement' in U.S. Beef Talks

SK1302131193 Seoul YONHAP in English 1249 GMT 13 Feb 93

[Text] Seoul, Feb. 13 (YONHAP)—South Korea and the United States failed to produce a tangible agreement at the end of three-day marathon beef talks Saturday. Kim Tong-tae, chief Korean negotiator to the talks, said that the U.S. delegates decided only to tell the Korean side by Sunday morning whether it would continue or give up the Seoul negotiations at the last day of the meeting.

Korea conceded to the United States on the loosening of the Simultaneous Buy and Sell (SBS) system, Kim, director-general of the Livestock Affairs Bureau at the Agriculture, Forestry and Fisheries Ministry, said. Seoul tried to reason with U.S. officials that it couldn't open the domestic beef market fully by July 1997 as requested by the United States, Kim said. Korea made clear that it would be difficult to set the import quota at 132,000 tons for this year and increase it by annual 20 percent in coming years due to a sharp drop in beef consumption and price recently.

Korea is scheduled to have bilateral beef talks with Australia on Feb. 23-24 and New Zealand on Feb. 26-27. It failed to reach an agreement on opening Korea's beef market in negotiations with the world's largest beef exporters last year due to a striking difference of views.

Consensus on Beef Quotas 'Closer'

SK1402023793 Seoul THE KOREA TIMES in English 14 Feb 93 p 1

[Text] Korea and the United States came closer to consensus on the former's beef import quotas and modification of a tender system in three-day talks that ended yesterday but failed to settle the one-year dispute overall, Korean negotiators said. They will telephone this morning and have another meeting tomorrow if they find room for a last-ditch breakthrough.

In case the Seoul meeting ruptures, the two sides will continue to discuss the matter through other diplomatic channels, according to the negotiators, though prospects for a compromise appear dim for now.

"We have done our best to draw a satisfactory result in the talks. But the Americans would not be satisfied with our compromise ideas," said Kim Tong-tak, director general for livestock affairs at the Ministry of Agriculture, Forestry and Fisheries who led the Korean mission to the meeting.

The officials would not disclose their revised proposals but informed sources said that Seoul intended to increase the initial quota for this year to over 100,000 tons, though 32,000 tons shy of the Washington demand. Korea plans to import 120,000 tons of beef this year, in little reference to a quota. [sentence as published]

U.S. negotiators demanded that the initial quota be the same as last year's actual import volume of 132,000 tons and that it be swollen by 20 percent annually for 1994 and 1995.

Seoul vowed to expand the amount of beef traded through direct tenders between U.S. exporters and Korean buyers to about 10-15 percent, the sources said. Washington hoped at least 20 percent of beef would be dealt [as published] in a simultaneous buy and sell tender system.

At present, most beef imports, aimed at stabilizing domestic meat prices, are handled by the Livestock Products Marketing Organization.

Only 7 percent is purchased through simultaneous tenders by the National Livestock Cooperative Federation, an interest group for domestic producers, the state-run Korea Cold Storage Co. and the Hotel Supply Center for quality meat exclusively for hotel use. The expansion of the direct trading system means broader access for American beef exporters to the local market.

A timetable for the complete liberalization of the local beef market, a heady issue which had impeded two previous talks last year, was almost put aside as both parties were eager to produce a tangible outcome this time.

Seoul has been opposed to Washington's demand for complete liberalization of beef imports by 1997 and is rather inclined to live up to the General Agreement on Tariffs and Trade instead of a bilateral commitment.

Korea will hold similar talks with Australia and New Zealand late this month. Australia is the largest beef supplier to Korea, with its market share reaching approximately 50 percent, followed by the United States with 40 percent and New Zealand with 10 percent.

'Equitable' Beef Trade Talks Urged

SK1302053193 Seoul THE KOREA HERALD in English 13 Feb 93 p 6

[Editorial: "Resort to Protectionism?"]

[Text] Korean officials have been encountering their American counterparts in a three-day round of beef trade talks in Seoul this week in an attempt to sort out their differences. The continuing nature of the agenda does not permit a total package settlement all at once.

In all probability, as much will be put off for future negotiations as has been agreed on. At least, however, the two parties to the parley have talked it out, moving closer to a point of mutual understanding for each other's position.

The United States might have been obliged to escalate pressure upon its trade partners to open their markets wider to American goods and services as a result of its accumulating trade deficits in recent years. Being one of the largest trading partners of the United States, Korea has been required to provide easy access to U.S. exports. The Seoul government has to date moved expeditiously to comply with U.S. demands, as seen in the current beef talks, where Seoul proposed imports of 86,000 tons of U.S. beef, an increase of 20,000 tons over the quota for 1992. Yet, Washington does not find the scope and speed of the Korean action to its satisfaction, criticizing it as unfair and often threatening retaliation.

The United States, which slapped high-rate penalty tariffs on Korean steel products in a preliminary decision soon after the Clinton administration was inaugurated, is now reported to be seriously considering the renewal and further reinforcement of the Super 301 clause of the U.S. Trade and Tariff Act. The new administration is apparently facing increasing pressure from the Congress as well as industries for trade protectionism, thus being compelled to obtain trade concessions from America's trade partners.

Likewise, or more seriously, the Korean government is confronted with formidable pressure from its industries and people not to have our domestic industries fall victim to American pressure. The perception of Korea being helplessly vulnerable to American pressure would be not good for relations between the two countries in the long run.

In all fairness, the United States needs to recognize the broader context of Korea's liberalization efforts. And, in our view, an overly impatient approach will not prove effective in solving trade issues. The Clinton administration has taken a highly open and public approach to trade affairs. The last thing we want to see is that such an approach would turn what is basically an economic problem into a political one, thereby stirring emotional reactions.

Overall, our current account has long reversed its favorable trend, moving from substantial gains during previous years into the red of late. In light of the unfavorable balance of payments and an ominous decline in export growth, the Korean economy is experiencing significant difficulties and hardships. Under this adverse environment, it is untimely and impracticable to press for further extensive and immediate market openings. Korea's vulnerable agricultural sector, for one, is incapable of absorbing the shock of a rapid influx of U.S. farm products. It would be catastrophic to the already eroded foundation of our local agriculture.

The delicate trade situation between our two nations must be resolved through equitable negotiations and gradual accommodations without resorting to rash pressure tactics or confrontational approaches by either side.

Premier Says U.S. Trade Friction Possible

SK1202125493 Seoul YONHAP in English 1147 GMT 12 Feb 93

[Text] Seoul, Feb. 12 (YONHAP)—Prime Minister Hyon Sung-chong on Friday reaffirmed the government policy not to open the rice market under any circumstances.

"Rice is our people's main food and the backbone income source of our farmers. Our consistent policy is that we cannot allow any slightest foreign access to our rice market not to speak of the tarrification of rice," Hyon said.

The prime minister made the remarks in his answers to questions posed by legislators at an interpellation session of the National Assembly.

Hyon said that compared with China or Japan, South Korea would be able to maintain relatively smooth relations with the Clinton U.S. Administration.

"But, we cannot altogether rule out possible trade frictions between the two countries if we fail to properly deal with the U.S. demand for the opening of the monetary market and other key issues like intellectual property rights," he said.

Also speaking at the assembly session, Deputy Prime Minister and Economic Planning Minister Choe Kak-kyu said the government is working on steps to basically improve the mechanism to speedily act on the need to relieve the suffering of domestic industries in connection with the counter-dumping system.

Choe also said that to support financially hard-pressed small industries, the government will release relevant funds on a priority basis at the soonest possible date.

Asked by a Solon to expand the government purchase of rice from farmers, the deputy premier said that since there is a limit in the government's financial ability to buy rice, he would have the national agricultural cooperative federation expand its role of rice purchase.

Officials Concerned About U.S. Trade Ties

SK1402030893 Seoul THE KOREA TIMES in English 14 Feb 93 p 9

[By staff reporter Sa Tong-sok]

[Text] Korean government officials are increasingly concerned about the possible worsening of trade ties with the United States since President Clinton took office Jan. 20.

While they believe the new U.S. Administration has yet to directly zero in Korea as its main target of tough trade actions, they watch with apprehension the recent U.S. toughened moves toward Japan and the European Community.

They view the Clinton administration protectionist by nature and believe that trade ties with Washington could slip into the worst at any time.

As a matter of fact, government ministers have of late been more swift in addressing trading issues with the U.S.

At present, two dumping cases—one on semiconductor chips and the other on steel goods—are pending between Seoul and Washington as immediate issues to be tackled.

The two cases in which high punitive tariffs were slapped on Korean semiconductors and steel goods started during the Bush administration but are viewed as a litmus test that could signal the future direction of Clinton's trade policies, analysts say.

Korea is eager to place a seal on the semiconductor case by signing a suspension agreement with the U.S. on a government-to-government basis but the U.S. Administration reportedly remains reluctant to signing the agreement that would obligate Korean semiconductor manufacturers to self-regulate exports in exchange for terminated investigations.

Korean trade officials have met with U.S. officials several times to persuade them to sign the agreement but the U.S. response was negative, officials said.

The semiconductor dumping case in which Korean companies were imposed punitive tariffs of up to 87 percent awaits a final ruling next month and if Seoul and Washington fail to each agreement, Korean semiconductor exports to the U.S. will be dealt a decisive blow, trade analysts predict.

Dumping investigations into Korean steel products have also emerged as the apple of friction between Korea and the United States. Last month the U.S. Commerce Department levied high provisional tariffs on steel products imported from 19 countries including Korea.

The imposition of high tariffs has invited an uproar of resistance from the 19 countries and is viewed by many analysts as being designed to let the Clinton administration take the initiative in the multilateral trade talks.

Most recently, what American officials describe as the lax protection of U.S. intellectual property rights (IPR) in Korea is also a seed of binational contentions.

According to the Economic Planning Board, the U.S. is in general satisfied with Korea's IPR-related laws but still takes issue with what it claims to be the poor enforcement.

At an informal meeting held in Washington last month, U.S. officials were deeply displeased with Korea's lax protection of American IPR and hinted at the possibility of placing Korea in the special 301 list of priority foreign countries under the provisions of the 1988 Omnibus Trade and Competitiveness Act.

The Korean government responded to America's resolve to IPR protection by strengthening clampdowns on IPR piracy in its bid to expand the actual extent of IPR protection. It created a task force consisting of law-enforcement authorities to step up its roundup activities.

The Korean government, in its apparent bid to show off commitment to IPR protection, is also considering legislating special laws that would hand IPR violators harsh punishments.

Apart from immediate trade issues, Korea and the U.S. have recently had a series of extensive negotiations. But Korean negotiators seemed to have taken passive attitudes in negotiations with American counterparts due to the lack of bargaining tools.

They are also wary of the latest talk in the U.S. of bringing "Super 301" back to life in their belief that its resurrection will deal a severe blow to Korean exports to the U.S.

Korean officials fear that the longstanding stalemate in the Uruguay Round of multilateral trade talks will put Korea under stronger pressures from the U.S.

In the case, the U.S. may apply bilateral pressure for Korea to open its strategic rice market, officials at the Economic Planning Board said. As a way to head off anticipated trading offensives, some reform minded aides of President-elect Kim Yong-sam have proposed that an expanded government agency be set up to specialize in trade policies.

But many economists oppose the proposal, saying such a system will invite more focused attacks from the U.S.

Seoul Reacts to U.S. Intellectual Property Moves

SK1602092193 Seoul YONHAP in English 0812 GMT 16 Feb 93

[Text] Seoul, Feb. 16 (YONHAP)—Seoul has tried to block U.S. moves to label it a Priority Foreign Country (PFC) for intellectual property rights violations, sending a letter and explanations of its internal efforts to root out piracy to Washington.

Foreign Minister Yi Sang-ok delivered the letter, dated Feb. 12 and warning of deeper public animosity if Washington names Seoul a PFC, to U.S. Ambassador Donald Gregg.

The letter was timed with the circulation in the United States Tuesday of recommendations from various intellectual property protection groups on reprimanding serious violator countries, Foreign Ministry officials said.

The International Intellectual Property Alliance (IIPA) recommended last week that Washington take action against seven countries, including South Korea, for infringement of copyright laws.

Washington collects recommendations from other similiar groups and distributes them nationwide before a final decision. PFC designations are due in April.

American industrial observers say losses from film, music, software and book piracy totaled nearly 2.1 billion U.S. dollars last year.

The letter came with an eight-page attachment enumerating South Korea's enforcement measures against violations, such as special investigation teams and higher penalties.

An inter-ministerial meeting Feb. 1 decided to open a central investigative office within the supreme public prosecutor's office and set February to April as a special enforcement period.

"The Korean Government firmly believes that Korea cannot enter the ranks of advanced economies without enhanced protection for intellectual property rights," the letter said.

If Washington labeled Korea a PFC, it would only worsen the already tense trade relations from recent anti-dumping charges on steel and dumping investigations on semiconductors, it warned.

No Calls for Intellectual Property Crackdown

SK1602023893 Seoul THE KOREA TIMES in English 16 Feb 93 p 2

[Text] President No Tae-u yesterday called for a crackdown on and stern punishment of intellectual property rights offenses.

During a briefing by Prosecutor General Kim Tu-hui, No said, "The prosecutors should realize that encroaching on intellectual property rights causes trade friction and stymies foreign trade."

Prosecutor General Kim revealed that a total of 606 offenses had been cracked down upon as of Feb. 13 this year, and 94 people arrested.

The manufacture and selling of merchandise with fake foreign brands topped the offenses with 183 offenders booked for investigation and 49 of them arrested, followed by pirate copies of foreign music disks with 196 cracked down on and 40 arrested.

Illegal duplication of computer software stood third in the crackdowns with 16 booked and 5 arrested, Kim said. A total 443,074 pirate items were forfeited.

Kim reported to President No that the prosecutors will continue to clamp down on the intellectual property rights offenses until the end of April. After this, special crackdowns will take place biannually, he said.

Industry Criticizes U.S. on Semiconductor Issue

SK1602020193 Seoul YONHAP in English 0136 GMT 16 Feb 93

[Text] Seoul, Feb. 16 (YONHAP)—With the deadline for conclusion of a supension agreement one day away, Korean semiconductor companies have decided that it is better to face a final determination than to accept unfair terms set by the United States to stop a U.S. anti-dumping investigation.

Samsung Electronics Co., Goldstar Electron Co. and Hyundai Electronics Co., alleged to have sold their D-RAM (dynamic random access memory) chips at unfair prices in the U.S. market, say any semiconductor trade conditions less favorable than those applied to Japan are little better than naught.

The three D-RAM manufacturers have been depositing cash or securities equivalent to their provisional dumping margins of between 87 percent and 5.99 percent, ruled at the preliminary finding on Oct. 21 last year.

They suggested the government try all diplomatic efforts to get Washington to rule as fair determination as possible on the Korean semiconductor exporters on March 15 and to improve bilateral trade relations instead of unreasonably hanging on to the suspension pact.

The U.S Commerce Department and semiconductor industry are said to be opposing Korea's proposition for a Data Collection Program (DCP) arrangement to conclude the suspension agreement.

Instead they have requested a suspension pact settled under a Fair Market Value (FMV) system, which the United States and Japan replaced with the DCP arrangement five years ago.

Under the DCP system, semiconductor traders can liberally fix export prices, while keeping data on their shipment volume and cost, which must be submitted to Washington within two weeks at its request.

But the FMV agreement gives the U.S. Commerce Department the authority to set fair prices for exporters to abide by in its market and check them not to sell at less than the fixed prices.

If the Korean semiconductor industry accepts Washington's request and signs an FMV agreement, its products will cost more than Japanese exports and make sale in the North American country impossible, the sources said.

The Korean semiconductor industry criticized Washington for handling the semiconductor issue too subjectively and thinking only of its industry.

U.S. Chamber of Commerce Wary of Punitive Tariffs

SK1502075193 Seoul YONHAP in English 0658 GMT 15 Feb 93

[Text] Seoul, Feb. 15 (YONHAP)—The American Chamber of Commerce in Korea has recommended to the U.S. Government that it scrap punitive tariffs against South Korean semiconductors, government sources said Monday.

The proposition, signed by Amcham Executive Vice President William Overlin, was delivered to the U.S. Commerce Deparment and U.S. Trade Representative (USTR) through the embassy in Seoul on Jan. 29, they said. It warned that the U.S. preliminary finding of dumping by Korean D-RAM (Dynamic Random Access

Memory) chip exporters would only promote a Japanese monopoly of the U.S. semiconductor market and hurt U.S. semiconductor companies in their attempts to advance here.

Samsung Electronics Co., Hyundai Electronics Co., and Goldstar Electron Co. were saddled with provisional dumping charges between 87.4 percent and 5.99 percent in the preliminary ruling on Oct. 21 last year for selling their D-RAM products at unfair prices in the U.S. market.

Experts say semiconductor exports to the North American country will be virtually impossible with the high dumping duties if Korea fails to avoid the final determination on March 15. Amcham said the Korean semiconductor industry was very advanced and was one of only a few Korean industries with international competitiveness. It pointed out that the tariff imposition on Korean exports would only increase U.S. dependency on Japanese D-RAM products and allow the Japanese semiconductor industry to reconquer the U.S. market like before 1990.

American manufacturers of computers, computer accessories, and electronics need products like Korean semiconductors to have competitiveness in the world market, Amcham's recommendation said. It warned that drastic fluctuation in prices of Korean and foreign semiconductor products would also have a devastating effect on profitability and employment in related industries at home.

Amcham suggested that Washington name terms and suspend dumping duties on Korean semiconductor exports for the sake of the Korean D-RAM industry, and American consumers and semiconductor industry.

It recommended the new Washington administration turn to settlement instead of retaliation or collision for better trade relations with Korea. Imposition of anti-dumping tariffs may trigger retaliatory measures against U.S. companies in Korea, it said, noting that Seoul was making progress in its efforts to scrap customs duties on semiconductor imports, open financial market, protect intellectual property rights, and grant equal business treatment to foreign companies.

Trade Association Tallies Impact of 'Super 301'

SK1302034593 Seoul YONHAP in English 0239 GMT 13 Feb 93

[Text] Seoul, Feb. 13 (YONHAP)—Only the European Community (EC) and Japan had Super 301 used against them more than South Korea, which was subjected to the U.S. Trade Law provision most frequently in the service sector, the Korea Foreign Trade Association (KFTA) said Saturday.

Korea received the greatest number of public threats of retaliation by the United States for failing to abide by bilateral trade agreements after the EC and Japan, KFTA said, quoting a report on the effectiveness of Super 301 produced by the U.S. Institute of International Economy (IIE).

During the effectuation period of Super 301, trade legislation that requires the U.S. trade representative (USTR) to identify and act against nations that offer barriers to U.S. goods and services, between 1975 and June 1992, Washington used the act 82 times, of which 22 were against the EC, 12 against Japan, and eight against Korea. Taiwan and China recorded seven and two cases, respectively.

Canada was a victim of the U.S. trade act six times while Mexico, the fourth major U.S. trade partner, was never subjected to a compliance review by the USTR, according to the IIE report.

Out of its eight blows, Korea received four cases of open intimidation for non-compliance from the USTR, compared with Taiwan's three, Canada's two, and China's two. The EC endured nine public threats due to the Super 301 act, followed by Japan with eight.

In the service sector, Korea topped the list with two cases, while the EC, Japan, and Canada all tallied one. Taiwan and China made no such record.

While the EC and Japan showed no cases of non-compliance in intellectual property rights, Korea, Taiwan, and China were all suspected of violation once. Washington openly threatened Seoul with retaliation on these two sectors, KFTA officials noted.

In the agriculture field, EC recorded 19 cases, followed by Japan with four, Korea with three, Taiwan with two, and Canada with one. In manufacturing, Japan suffered seven, followed by Taiwan and Canada each with four, Korea with two, and China with one.

According to IIE's analysis, the Super 301 trade act served most effective on the countries to which the United States exported more than 10 million U.S. dollars a year and on those whose export dependency on the U.S. market was high.

When Washington openly threatened to act against non-compliance, the Super 301 produced more success than mild warning, IIE observed, suggesting that it had worked well with South Korea.

If the increase in exports reflects the success of Super 301, the U.S. trade act's success rate reached 68 percent after September 1985, the report said.

Chemical Weapons Treaty To Be Ratified in 2 Years

SK1502014093 Seoul YONHAP in English 0047 GMT 15 Feb 93

[Text] Seoul, Feb. 15 (YONHAP)—Seoul will ratify the Chemical Weapons Convention (CWC) within two years, regardless of whether Pyongyang joins the treaty, officials forecast Monday.

Korea's next government would not designate a separate national authority to prepare for ratification, but would instead put the Trade and industry Ministry in charge of charting budget and manpower requirements, they predicted. Between 20 and 30 Korean chemical companies are likely to come under inspection once the CWC goes into effect around early 1995.

South Korea joined the convention when it opened for signatures last month. North Korea, believed to have built up an advanced chemical weapons capability, is yet to sign the convention.

"There were calls to link Pyongyang's joining of CWC with Seoul's ratification of the convention. But because of CWC's domestic impact, we plan to go ahead with ratification as soon as we are ready in order to protect precision chemical industry," an official said.

The convention vows to destroy all existing chemical weapons within 10 years and has the most stringent inspection measures to monitor global transfer of weapons-grade chemicals.

The official pointed out that South Korea joined the Nuclear Non- Proliferation Treaty (NPT) before North Korea as well.

"We will urge Pyongyang to sign the CWC as part of inter-Korean confidence-building measures when we resume the prime ministerial talks," he said. He predicted that the incoming government would introduce laws requiring regular reports on chemical productions and import and export of sensitive materials at the time of ratification.

ROK To Increase Overseas Telephone Lines

SK1202131393 Seoul YONHAP in English 1205 GMT 12 Feb 93

[Text] Seoul, Feb. 12 (YONHAP)—South Korea will have direct overseas telephone lines additionally with Israel and 10 other countries and install more direct lines with 49 countries including China this year.

The Korea Telecom reported Friday the ten other countries with which the country will have new direct lines will be Bolivia, Colombia, Nigeria, Oman, Costa Rica, Dominica, Gabon, Ecuador, Peru and Guatemala.

Among those countries with which there will be more direct lines will be China, Commonwealth of Independent States, the U.S. and Singapore, it said.

Presently Korea has direct telephone lines with a total of 66 countries.

Korea Telecom offers overseas telephone service to 171 countries around the world, all of them through the direct dialing system with the sole exception of Afghanistan which can be reached through switchboard operator.

ROK To Decide 'Soon' on Troops for Somalia

SK1302034193 Seoul YONHAP in English 0227 GMT 13 Feb 93

[Text] Seoul, Feb. 13 (YONHAP)—South Korea is soon to decide on whether to send soldiers to Somalia for the U.N. peacekeeping operation (PKO), Foreign Ministry officials said Saturday.

A working-level officials' meeting Friday [12 Feb] confirmed Korea's commitment to participate in the PKO activities, and the government will determine the composition, size and service period of the contribution, they said. Seoul received a formal U.N. request earlier this month asking Korea's intention to participate in the Somalian PKO, known as the United Nations Operation in Somalia (UNOSOM II).

"There is no deadline for response," said an official, but he indicated the response will have to be ready quickly since U.N. Secretary-General Bhutros Bhutros-Ghali needs each country's answer for the report he has to submit to the Security Council toward the end of this month. Seoul said last September it can dispatch a 730-member PKO team, including 540 foot soldiers and 154 medical staffers.

"South Korea's dispatch to Somalia will be within these bounds, but we are likely to decide to send only one section, either the infantrymen or the medical team," said the official.

UNOSOM II is expected to take over from the present "Operation Restore Hope" around May.

Bhutros-Ghali needs to prepare a report on UNOSOM participants for the Security Council, which in turn has to adopt a resolution before the PKO can enter Somalia. PKO service period is a minimum six months and extendable for each six months.

"Friday's discussion found there are too many details to settle with the United Nations before we make our dispatch decision, including finance," said the official.

Ministries Tally Cost of Role

SK1502032293 Seoul YONHAP in English 0214 GMT 15 Feb 93

[Text] Seoul, Feb. 15 (YONHAP)—If Seoul sends soldiers to Somalia for peacekeeping operations (PKO), the endeavor will cost South Korea unplanned millions of U.S. dollars and there is no guarantee of U.N. reimbursement.

Defense and Foreign Ministry sources predict annual outlays of up to 28 billion won (35.1 million dollars) if 540 foot soldiers, the promised contingent, go to Somalia.

The United Nations should, in principle, bear all the costs of the PKO dispatch, but is almost out of money, sources here said. The situation in Somalia requires each participating country to arrange its own water and electricity as well, they said. The United Nations pays the monthly wages, 2,500 dollars for observers and 1,020 dollars for foot soldiers, two way transportation costs, attire, equipment, meals and accident insurance. Participating countries pay additional salaries, allowances, health insurance and pensions.

Foreign Ministry officials say they are working out cost burdens with the U.N. side, and Defense Ministry officials say the government should set aside a separate budget and put up the needed money.

Korea provided 3.7 million dollars to PKO last year and pledged 2 million dollars in material aid to Somalia separate from PKO participation.

"If we send an infantry unit to Somalia, we also need more than 150 vehicles such as tanks and other support equipment. But we will be mainly responsible for our own spending because the United Nations has financial problems," a government official said.

The United Nations says it will reimburse all the incurred costs, but officials here question the possibility, pointing out that even monthly salaries are being deferred.

Troop dispatch has to necessarily use private ships since naval transporters are ineligible for accident insurance, running up the expenditure. The trip will take as many as 50 days and the participating country has to take care of even minute details such as drinking water, officials said.

The bill runs contrary to the very reason Korea chose foot soldiers over army engineers for its PKO contingent. Defense Ministry officials, explaining Seoul's decision to take part in the U.N. PKO activities last September, said an Army Engineer Corp of 440 people would require 11.2 billion won for the unit and another 5.9 billion won for equipment in comparison to an infantry unit.

UPP 'Disintegration' Continues as Lawmakers Depart

SK1302070793 Seoul YONHAP in English 0627 GMT 13 Feb 93

[Text] Seoul, Feb. 13 (YONHAP)—The crew, abandoned by their captain, were scurrying Saturday to jump off the sinking ship that was the United People's Party [UPP].

The political sharks circle the wreck as the countdown in the party's disintegration ticks inexorably toward zero hour: The Democratic Liberal Party [DLP] looking eagerly for bodies to pick up, and the Democratic Party working to embrace the disinherited.

In the two days since party head Chong Chu-yong put the official notification of his resignation in the mail, Reps. Cha Su-myong and Won Kwang-ho have left the party and Rep. Chong Mong-chun, his sixth son, and at least nine others are expected to follow suit next week.

Sources say the departure of Cha could very well sink the ship completely as he was Chong's chief of staff and his constituency is Ulsan, South Kyongsang Province, which was a UPP power base.

Cha's action appeared to take the wind out of those who have been insisting that they can keep the party going by themselves and without Chong, the one and only financial backer.

Earlier, Cha met with supporters in Ulsan and said that Chong Chu-yong had told him it was desirable for Cha to "join forces to contribute to the development of economy and politics for the creation of a new Korea."

Cha thus indicated that he was leaving the UPP at Chong's suggestion and in order to help the administration of President Kim Yong-sam and his ruling Democratic Liberal Party.

It was only a few days ago that a majority of the UPP lawmakers and senior party officials issued a defiant statement, accusing Kim and the DLP of trying to persecute and suppress Chong and the UPP.

Despite a series of humble and conciliatory gestures from the defeated presidential candidate of the UPP, the government has indicted Chong without physical detention on charges of presidential election law violations and misuses of corporate funds of the Hyundai Business Group.

If what Cha said was true, it was a remarkable turnaround for Chong, who had not hesitated to fire a volley of hostile and bitter charges against Kim during the presidential campaign.

"Maybe Chong Chu-yong has mellowed in that short span of time, following his defeat in the election, or the businessman simply has learned that politics is a bird of an entirely different feather," said one analyst, asking for anonymity.

In any event, on the eve of his departure from the UPP, Cha met with Rep. Choe Hyong-u, one of Kim Yong-sam's confidants, and discuss problems related to his entry into the DLP.

At the meeting, Choe was understood to have conveyed "a certain message" to Cha with regard to the prospects for the judicial action against Chong Chu-yong and other problems.

As rumors of imminent departure of Chong Mong-chun spread, many lawmakers who had been sitting on the fence expressed their anger, asking how Chong Chu-yong could so easily destroy the party he formed only a year ago. Yet most of them appeared Saturday to be resigned to the idea of leaving the party.

Reps. Yun Yong-tak, chairman of the party policy-making committee, and Kim Hae-sok went to their districts in Taegu and started procedures to join the Democratic Liberal Party.

Rep. Choe Yong-han, one of those who insisted on staying in the party, said he had no choice but to leave the UPP "if the majority trend is flowing in that direction." He said Reps. Mun Chang-mo and Yi Kon-yong shared his opinion.

'Number' of Legislators May Leave

SK1202131193 Seoul YONHAP in English 1153 GMT 12 Feb 93

[Text] Seoul, Feb. 12 (YONHAP)—A number of legislators of the United People's Party [UPP] are moving to leave the opposition party, dealing perhaps a vital blow to the UPP already crippled by the departure of billionaire party head Chong Chu-yong.

Kim Man-il, an official of UPP Rep. Cha Su-myong's Ulsan-South district office, said Friday afternoon that Cha told about 100 district party members and associates in Ulsan that he, together with Rep. Chong Mong-chun, would bolt from the UPP Saturday and join the majority Democratic Liberal Party [DLP].

Rep. Cha, who had been chief secretary to party head Chong Chu-yong before Chong's recent retirement from politics, said Chong Chu-yong told him that it would be good for him to join the DLP for the sake of the national economy and political development.

In addition to Cha Su-myong and Chong Mong-chun who is the son of Chong Chu-yong, six other UPP solons are expected to follow suit and leave the party next week.

The six are Kim Tu-sop, Pak Chae-sang, Kim Pom-myong, Yi Kun-yung, Choe Yong-han and Mun Chang-mo.

Rep. Kim Pom-myong told reporters at the National Assembly Friday that he and seven other solons agreed to act together and bolt from the party.

He said the six would tender letters of their departure from the party early next week.

Three other UPP lawmakers—Chong Chang-hyon, the party's first vice secretary general: Party spokesman Pyon Chong-il: And Song Kwang-ho, second vice secretary general, too, are likely to leave the party sooner or later.

If and when these people actually leave the party, the number of UPP solons would shrink from the present 30 to less than 20, the minimum required number for the upkeep of a floor negotiation body.

Trade Deficit Down to $5.14 Billion in 1992

SK1602040293 Seoul YONHAP in English 0215 GMT 16 Feb 93

[Text] Seoul, Feb. 16 (YONHAP)—South Korea slashed its trade deficit to 5.14 billion U.S. dollars last year from 9.65 billion dollars in 1991, the Office of Customs Administration (OCA) said Tuesday.

Korea suffered a deficit with the United States, Japan, China and the European Community last year, but enjoyed surpluses with some Southeast Asian countries, including Singapore.

Red ink in trade with the EC more than doubled to 355 million dollars last year from 151 million dollars in 1991.

Exports dropped 9 percent to 7.01 billion dollars in December from a year earlier and imports rose 0.8 percent to 6.87 billion dollars, according to the final 1992 import and export tally on a customs clearance basis.

Shipments grew 6.6 percent to 76.63 billion dollars in 1992 and imports edged up 0.3 percent to 81.78 billion dollars for a deficit of 5.14 billion dollars.

The nation had a 142 million-dollar surplus in December and a 225 million-dollar surplus in November.

Exports to the U.S. market reached 18.09 billion dollars and imports hit 18.29 billion dollars for a deficit of 197 million dollars.

Japan bought 11.6 billion dollars of goods from Korea and sold 19.46 billion dollars of products, reaping a 7.86 billion-dollar surplus in its trade with Korea.

Korea's exports to China were 2.65 billion dollars and imports totaled 3.73 billion dollars, giving China a 1.07 billion-dollar surplus.

Hong Kong and Singapore brought in 9.13 billion dollars of Korean merchandise and sold 2.58 billion dollars of their products in Korea, giving Korea a 6.55 billion-dollar surplus compared with a 5.67 billion-dollar surplus in 1991.

Burma

Khin Nyunt Receives Visiting U.S. Congressman

BK1502141093 Rangoon Burma Television Network in Burmese 1330 GMT 15 Feb 93

[Text] Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council of the Union of Myanmar [Burma], at 0900 today received visiting United States Congressman Mr. Bill Archer, Congress Republican minority leader, and delegation at the Defense Ministry's Dagon House.

Present on the occasion were U Ohn Gyaw, minister of foreign affairs, and Thura U Aung Htet, director general of the Protocol Department.

Delegates Named To Read Chapter Topics Reports

BK1502160993 Rangoon Radio Burma in Burmese 1330 GMT 15 Feb 93

[Text] The panel of chairmen representing the public service personnel held a panel discussion concerning the chapter topics that should be included in drawing up the constitution. They held the discussion at Meeting Hall No. 8 in the Kyaikkasan Grounds, Yangon [Rangoon], at 0900.

The meeting was presided over by the members of the panel of chairmen: U Tun Shwe, Ministry of Labor; U Kyi Aye, Ministry of Planning and Finance; Lieutenant Colonel Thaik Tun, Ministry of Defense; U Khin Maung Htu, Ministry of Transport, and U Ant Maung, Ministry of Religious Affairs. U Hla Win acted as secretary of the meeting.

The members of the panel discussed the procedures that continue to be carried out. They later selected and approved U Kyaw Win, Ministry of Culture, and Dr. Kyaw Win, Ministry of Health, to be representative and reserved representative, respectively, to read a report on suggestions made by delegates concerning the chapter topics that should be included in drawing up the constitution. The meeting ended at 0940.

Similarly, the 8 February panel discussion of the workers' delegates selected and approved Dr. Myo Thant Tin, Alone Township, Yangon Division, and U Sa Lun Naw, Myitkyina Township, Kachin State, as representative and reserved representative, respectively, to read a report on suggestions made by the delegates concerning the chapter topics that should be included in drawing up the constitution.

General Than Shwe Sends Union Day Message

BK1202133593 Rangoon Radio Burma in Burmese 0130 GMT 12 Feb 93

[Message from General Than Shwe, chairman of the State Law and Order Restoration Council, to the 46th Union Day flag-hoisting ceremony held at People's Square on 12 February]

[Text] Esteemed brothers and sisters of all national races: 12 February is the the 46th anniversary of Union Day. On this auspicious occasion, I send this Union Day message to all brothers and sisters of the national races of the union with love and very best wishes for happiness, peace of mind, and well-being.

The Union of Myanmar [Burma] is made up of various national races, including Kachin, Kayah, Karen, Chin, Bhama, Mon, Rakhine, and Shan. Union Day celebrates the signing of the Panglong Agreement on 12 February 1947. The Panglong Agreement was a vivid manifestation of the unity and solidarity among national races and Union Day celebrations have been held every year with full political essence for 46 years.

There is a maxim which says when there is unity, the country will prosper; unity is strength. Just as unity nourishes strength, lack of unity weakens strength and may well lead to ultimate destruction. In the Union of Myanmar where national races reside, the culture, traditions, customs, language, and social systems may appear to be different. In essence they are all based on the common blood of union kinship and union spirit like a hundred fruits growing out of a common stem.

It was found that the colonialist government, finding itself unable to avoid granting independence to the Union of Myanmar, attempted to cause disintegration of the unity among the national races. However, the national races were able to show the strength of national solidarity through the Panglong Conference and the Panglong Agreement.

In the postindependence period, the neocolonialists interfered whenever they had an opportunity in the internal affairs of the union with the intention of eroding national unity which is the basic foundation for perpetuating the union. In the same way, there are undeniable facts that they have a habit of creating threats and danger. No matter how hard they tried to create threats and danger, the national races were able to resist and wipe out internal and external threats by intensifying their strength of solidarity and utilizing their strength of unity.

It is firmly believed that this strength of unity can be maintained and further promoted in the future through union spirit. At a time like this, while attempts are being made to create conditions for dark forces of evil and destruction within and outside the country to make their influence felt, all nationalities of the union and brethren must strive to attain maturity, strength, and union spirit.

Now, under the leadership of the State Law and Order Restoration Council [SLORC], government departmental organizations and the people, including the Defense Services, are making honored efforts to develop the national races in border regions through multifaceted investment and through intensive construction and development activities.

Earnest measures are being taken to mobilize the concerted participation of national brethren to raise the momentum of activities for developing border areas and national races.

There can be no doubt about the fact that our national races have lived together unitedly in the Union of Myanmar since time immemorial. Throughout their history, there has been a venerable tradition of unity among national races in anti-colonialist and anti-fascist struggles and through mutual understanding among themselves. Such time-honored traditions are to be maintained as the worthiest and noblest duty of each individual of national races.

Therefore, it is the paramount duty of all national races to defend and safeguard as the very soul of their existence our three main national causes—nondisintegration of the union, nondisintegration of national solidarity, and perpetuation of national sovereignty.

On this most auspicious occasion of the 46th anniversary of Union Day, at a time when the 1993 National Convention is being held on the basis of past and present historical events, the four objectives which all national races must earnestly pay heed are: to keep the Union of Myanmar ever united; for all brethren of the union to live forever in peace through weal and woe; to extend active cooperation for the emergence of an enduring constitution; and for all nationalities to protect the union against all internal and external dangers by joining hands with the Defense Services.

Hence, I would like to emphatically urge all national brethren of the union to unitedly implement the four objectives of the 46th anniversary of the 1993 Union Day while maintaining the venerable and time-honored historical traditions of the union.

Insurgents Blow Up Train; Passengers Injured

BK1302080793 Rangoon Radio Burma in Burmese 0630 GMT 13 Feb 93

[Text] Brigadier General Ket Sein, chairman of the Mon State Law and Order Restoration Council and commander of the Southeast Military Command, accompanied by responsible personnel, visited and inquired at the Thanbyuzayat General Hospital at 1400 on 10 February concerning the condition of patients injured on 8 February when the Ye-Moulmein cargo train was destroyed by a mine detonated by terrorist insurgents. He met with each patient and offered words of encouragement. He also provided the patients with relief materials.

Later, the commander and his party left for the site of the attack, between Ayesho and Kyaungywa, by train from Thanbyuzayat Station in the afternoon. They inspected retrieval of the engine and cars, which were derailed in the attack by the terrorist insurgents, and repair of the railway tracks. He also emphasized cooperation in arranging the rail transit of passengers to avoid delays. He also offered words of encouragement and necessary assistance.

Shan Insurgents Reportedly Attack Villagers

BK1302080893 Rangoon Radio Burma in Burmese 1330 GMT 12 Feb 93

[Text] Insurgent terrorists have been disturbing rural peace and tranquillity and torturing and killing innocent villagers. On 9 February about 300 opium bandits from SURA [Shan United Revolutionary Army] entered Pantawi village, where Shan and Pa-o nationals reside, in Langkho Township, Shan State, at about 0100 and opened fire with heavy and light weapons for no apparent reason and took the villagers out of their homes. They then brutally shot or bayonetted 61 villagers, including two-month-old infants, and burned down 150 homes before they left the village.

Among the 61 people brutally killed by the SURA insurgents were 13 boys, ages ranging from two months to 12 years; eight girls; 25 males, ages ranging from 15 to 50 years; and 15 females.

A military column led by Lieutenant Colonel Thura Than Aung, acting tactical commander, came to the said village on 12 February and found four seriously injured children, four males, and five females among the bushes near the village. The commander gave first aid to the injured with the military column's medicines and later sent them to the Lai-Hka People's Hospital. The commander gave words of encouragement to bereaved families and supplied necessary relief goods.

Some members of the military column are coordinating with township law and order restoration councils concerned and departmental authorities concerning reconstruction and rehabilitation of homes razed by the insurgents, while remaining members of the column are pursuing the terrorist insurgents.

Secretary, Ministers Visit Village

BK1502111393 Rangoon Burma Television Network in Burmese 1330 GMT 14 Feb 93

[Excerpts] Major General Tin U, secretary-2 of the State Law and Order Restoration Council [SLORC], and ministers visited Pantawi Village, Langkho Township, Shan State, which was attacked, burnt down, and destroyed by terrorist insurgents for no apparent reason. They met with villagers and offered words of encouragement. Later, they coordinated and made arrangements for development activities in Namsan.

Maj. Gen. Tin U, secretary-2 of the SLORC, was accompanied by Maj. Gen. Maung Thint, minister for Development of Border Areas and National Races; Maj. Gen. Thein Win, minister of transport; Brigadier General Myo Thant, minister of information; Brig. Gen. Thaung Myint, minister for social welfare, relief, and resettlement; U Khin Maung Yin, minister of construction; Dr. Tin U, chairman of the Myanmar [Burma] Red Cross Society; high ranking officials from Defense Services, and responsible departmental personnel. They left Yangon [Rangoon] this morning by military plane. The plane arrived in Namsan at 1005. [passage omitted]

After this visit, the secretary-2 and ministers, accompanied by the commander of the Eastern Military Command, left Namsan at 1230 by helicopter for Pantawi Village, Langkho Township. Pantawi Village, where Pa-O and Shan national races reside, was attacked and burnt down. Villagers were also killed by heavy and light weapons strikes by terrorist insurgents of SURA [Shan United Revolutionary Army], a bandit gang, for no apparent reason on 9 February. [passage omitted]

First, Lt. Col. Thura Than Aung, acting tactical commander, briefed the secretary-2 and ministers on the situation surrounding the attack and the destruction committed by the terrorist insurgent SURA. [passage omitted]

Later, the secretary-2 delivered an address. In his address he said that, due to this very incident, he and the ministers are disheartened and sad together with the Pantawi villagers. He continued to say that he, the ministers, and the responsible departmental personnel are visiting the village to help and offer encouragement while Pantawi villagers are going through this tragic moment. He also added that Pantawi villagers are members of the family and the best arrangements on matters concerning shelter, food, health, and education will be made and implemented. [passage omitted]

He also stated that while SLORC is trying to restore tranquillity and peace in the country and is carrying out development activities in the country, including in the border regions, terrorist insurgents are obstructing and disturbing the tranquillity and peace in the country. At the same time, they are maiming, killing, and injuring people who are living peacefully.

He later added that the Ye-Moulmein cargo train No. 282 was destroyed on 8 February by a mine detonated by terrorist insurgent MNSP [New Mon State Party] and ABSDF [All Burma Students' Democratic Front], a bandit gang. An engine car and three cargo cars were derailed and overturned in the attack. Nine passengers, including a public service personnel, were killed and 18 were injured.

Similarly, the terrorist insurgent SURA, a bandit gang, attacked and burned down this Pantawi Village and killed villagers for no apparent reason. During the attack, 61 villagers were brutally killed and more than 150 houses were burned down and destroyed.

These incidents show that the inhuman and brutal acts of terrorist insurgents totally contradict the SLORC's efforts toward the betterment of the people and the country. The terrorist insurgents are carrying out their destructive activities mercilessly and brutally to coincide with the holding of the national convention, which is very important for the state and the populace. [passage omitted]

The secretary-2 and ministers left Pantawi Village for Namsan by helicopter in the afternoon. Then they left Namsan by military plane and returned to Yangon at 1630.

Brunei, Malaysia & Singapore

Malaysia

Defense Minister Vows To Defend Sabah Claim

BK1302135293 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 13 Feb 93

[Text] Defense Minister Datuk Sri Najib Tun Razak says Malaysia's security forces are ready to face any external threat in the defense of the country's sovereignty and territory. The forces deployed in Sabah are totally committed to the defense of the state even though most of the soldiers are from the peninsula. He said this at the "meet the people" session at Sekolah Kebangsaan [National School] Ibrahim in Kudat.

Datuk Sri Najib was commenting on reports that Jamalul Kyram claiming to be the descendant of the sultan of Sulu had urged the Islamic rebel group to launch a holy war against Malaysia to resolve the Sabah claim issue. The minister assured the people that Jamalul's intention would not materialize.

Reportage on Rulers' Endorsement of Amendments

Chief Ministers Welcome Endorsement

BK1402102893 Kuala Lumpur NEW STRAITS TIMES in English 12 Feb p 2

[Text] Kuala Lumpur, Thurs—Eight Menteris Besar [chief ministers] today welcomed the endorsement of the amendments to the Constitution by the rulers and declared that this showed the government was right in its move to remove the rulers' immunity. All the Menteris Besar except Nik Abdul Aziz Nik Mat of Kelantan attended the 68th Menteris Besar and Chief Ministers meeting at the Prime Minister's Department here.

Negri Sembilan Menteri Besar Tan Sri Mohamed Isa Samad said this was what the people wanted all along and added that the decision of the Conference of Rulers would ensure that the institution of monarchy was safeguarded.

"It also showed that what the government had sought through the amendments was correct and rightful and dismisses allegations by some quarters who had claimed that the move was aimed at abolishing the monarchy. This showed the government was right and the opposition, which only wanted to gain political mileage from the issue, was wrong," he said.

Johor Menteri Besar Tan Sri Muhyiddin Yassin said the State Government could now concentrate on other unfinished business now that the issue was solved.

He hoped the recent impasse would not affect the relations and goodwill between the government and the palace.

"I believe the constitution amendments, although consented to with some changes, do not affect the objective of the Bill as passed by Parliament."

Should a ruler commit any unlawful act, he would be brought to justice, Muhyiddin said.

Selangor Menteri Besar Tan Sri Muhamed Muhamed Taib said the amendments would remove ambiguities on the role of the Malay Rulers and that of the government.

"The respective roles will be clearly defined now," he said.

Perlis Menteri Besar Dr. Abdul Hamid Pawanteh said the people could devote their attention to their normal work now that they would no longer be preoccupied with the controversy.

He said there was a need to maximise efforts to attain Vision 2020 objectives.

On relations with the palace, Dr. Hamid said it would be "correct and proper" adding that the people's wish that the immunity of the rulers be removed could now become reality.

Terengganu Menteri Besar Tan Sri Wan Mokhtar Ahmad expressed relief and hoped that the amendments would be implemented smoothly.

"Coming after the impasse which lasted about two weeks, the joint declaration is a high point and wholly satisfying."

On the economic front, he said it would boost investors' confidence and help accelerate economic growth.

Kedah Menteri Besar Tan Sri Osman Aroff said rulers would not have personal immunity but in the event they commit any offence they would not be charged in common courts but in a Special Court.

He said the rulers also need not abdicate from their thrones.

Perak Menteri Besar Tan Sri Ramli Ngah Talib said the decision had brought an end to an unsettling situation although he felt that it could have been made earlier.

He said the Government was only fulfilling the wishes of the people and wanted to protect the "rakyat" [rulers' subjects] from any abuse.

Pahang Menteri Besar Tan Sri Khalil Yaacob said the decision would benefit all and bring about an awareness among the rulers that they could not abuse the "rakyat".

He said the State Government would maintain its working relationship with the rulers.

DAP Pledges Support

BK1402105593 Kuala Lumpur NEW STRAITS TIMES in English 12 Feb 93 p 2

[Text] Kuala Lumpur, Thurs—The DAP [Democratic Action Party] will support the Constitution (Amendment) Bill 1993 when it is returned to the Dewan Rakyat [House of Representatives] for further amendments.

DAP secretary-general Lim Kit Siang said the party welcomed the formula agreed between the rulers and the government today to resolve the constitution amendments issue.

The DAP MPs, during the special sitting of Parliament on January 18 and 19, had spoken for the amendments but abstained when a vote was taken.

Barisan Nasional [National Front] leaders had criticised the DAP's action, claiming that the party decided not to vote for the Bill because Semangat 46 [Spirit of 46] leader Tengku Razaleigh Hamzah opposed the Bill.

Semangat MPs walked out of the House after Tengku Razaleigh had finished his speech and later boycotted the meeting.

Pas [Pan-Malaysian Islamic Party] MPs had spoken for the amendments but also abstained from voting.

Lim said the DAP supported the Government's decision to remove the rulers' immunity in their personal capacity but it abstained from supporting the Bill because the Conference of Rulers had not given its consent then.

He said the country heaved a sigh of relief that the rulers and Government had reached an agreement to resolve the issue.

In Ipoh, DAP national vice-chairman Karpal Singh said the rulers' endorsement of the amendments to the Constitution was a significant development in the interest of the country.

In Alor Star, Pas president Fadzil Noor said the amendments involved the dignity of the rulers and if they had agreed to them, they were exercising their right.

"Now that the image and dignity of the rulers have been affected through disclosures in the press, it is up to them if they want to agree," Fadzil said.

Kedah MIC [Malaysian Indian Congress] chairman V. Saravanan said the agreement reached between the rulers and the government was most encouraging.

Paper Hails Rulers' Acceptance

BK1402141993 Kuala Lumpur NEW STRAITS TIMES in English 12 Feb 93 p 10

[Editorial: "Limit To Royal Immunity"]

[Text] Malaysians can heave a collective sigh of relief now that the Constitutional Amendments limiting the immunity of royalty have been accepted by the rulers. For as long as this issue drags on it tends to be a distraction which dampens the otherwise buoyant atmosphere in the country.

Some quarters have questioned the government's handling of this matter but with the benefit of hindsight one cannot help but be a little pleased that the initial resistance by the rulers has unleashed an unexpected flood of public debate and discussion.

The revelations of the less-than-proper behaviour of members of the various royal households understandably provoked various degrees of indignation, even outrage, among the general population. The consensus was that the status quo cannot remain and the abuses must stop.

Malaysians were further astonished to learn of the extravagant lifestyle of the royals who seemed unconcerned whatsoever about over spending the hard-earned ringgit of the ordinary taxpayers, the very persons at the receiving end of the abuses. Various estimates have been bandied about but according to the finance minister about [Malaysian ringgit] RM200 million per year will be saved now that the unbudgeted expenditure has been abolished.

In this respect the Federal and State Governments must bear part of the blame. As admitted by Prime Minister Datuk Sri Dr. Mahathir Mohamed during a press conference sometime ago, in attempting to be accommodating to avoid unpleasantness in the past, the Federal and State Governments have bent backward in their exercise of discretion. But unfortunately such gestures have been misinterpreted as lack of firmness and the abuses continued unabated as the rulers were able to compare notes and extracted the maximum from the governments.

Now that the immunity of the royalty is limited only to the official capacity the law from now must be applied without fear or favour and things must not be allowed to go back to normal as if nothing happened. This is the only way to avoid scepticism as we are notorious for having half-measures and not fully enforcing many laws which are already in existence.

It must not be supposed that the limit to the immunity will be a big blow to the rulers for in the final analysis what was at stake was indeed very little and had nothing to do with their dignity. On the other hand, the stripping away of the immunity in their personal capacity will help curb excesses and this will surely enhance their position in the long term.

As for the pruning of unnecessary expenditure, this will in no way crimp their way of life. What is left is more than sufficient for a truly royal, even an opulent, lifestyle.

The amendments without doubt will bring about a more accountable, responsible and praiseworthy royalty and that should be the credo not only of the royalty but also of the leadership of our country—the political, the corporate, the administrative, the whole spectrum. The government must respond to the overwhelming support of the rakyat [ruler's subjects] by serving them better and be more accountable in everything that it does.

Although other matters have been brought under focus by this issue and generally Malaysians are ready to forgive they are not likely to forget the royal antics in a hurry and will be watching further developments, not in expectant suspense but certainly not without interest either.

Draft Changes to Amendments Completed

BK1502095493 Kuala Lumpur Voice of Malaysia in English 0800 GMT 15 Feb 93

[Text] Attorney General Tan Sri Abu Talib Othman has completed the draft modifications to the constitutional amendments as agreed to by the rulers and government. Law Minister Datuk Syed Hamid Albar said the modified constitutional amendments to remove the immunity of the rulers in their personal capacity had to be endorsed by rulers and sent to parliament to be debated and adopted to become law.

The constitutional amendments had been drafted again after the rulers agreed to the original amendments with some modifications at the 161st [as heard] meeting of the Conference of Rulers last week. The modifications were agreed to by the government. He was speaking to reporters after opening the international conference on cultural and human dimensions in Islamic dakwah [missionary activities] in Southeast Asia in Kuala Lumpur. Datuk Syed Hamid said parliament had to call for a special sitting to debate the amendments or to debate the amendments at the next parliament session in April.

Deputy Premier Defends Proposed Special Court

BK1502135893 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 15 Feb 93

[Text] The setting up of a special court to try errant rulers is not contrary to the federal Constitution which regards every citizen as being equal before the law. Deputy Prime Minister Encik [Mr.] Ghafar Baba says this is because the same criminal and civil laws and penalties will apply in the special court. Only the procedures adopted may differ in the sense that the court will treat the rulers in accordance with their status. He told newsmen this in Bagan Datuk, Perak after presenting prizes to the winners of the 1992 national-level village beautification and cleanliness competition.

Asked whether hearings in the special court would be open to the public, Encik Ghafar said this would depend on the court procedures. The government has made no decision on it yet.

The constitution amendment bill 1993 which parliament passed last month, among other things, limits the legal immunity of rulers and provides for a special court to try errant rulers. The bill, however, will be returned by His Majesty the yang di-pertuan agong [paramount ruler] to Parliament for modification as requested by the Conference of Rulers when it gave its consent last week for the amendments.

Encik Ghafar expects the yang di-pertuan agong to return the bill to the speaker of the Dewan Rakyat [House of Representatives] in a day or two.

Changes on Rulers' Immunity Not Compromise

BK1602074293 Kuala Lumpur Voice of Malaysia in English 0600 GMT 16 Feb 93

[Text] The government's acceptance of modifications to the constitutional amendments pertaining to the rulers' immunity is not a compromise decision to settle the issue. Stating this, Law Minister, Datuk Syed Hamid Albar, said there is no change in the fundamentals of the Constitutional Amendment Bill 1993 to limit the legal immunity passed by Parliament last month.

According to him, there were some editions pertaining to the procedures which the rulers thought needed clarification. He told reporters this in Kuala Lumpur after opening the national conference on Strategic Issues in Human Resources Development and Industrial Relations.

He was commenting on news reports that the rulers were satisfied with the modifications after being briefed by the attorney general, Tan Sri Abu Talib Othman, yesterday.

Front: No Official Talks on Sabah Coalition

BK1502122693 Kuala Lumpur NEW STRAITS TIMES in English 13 Feb 93 p 2

[By K.P. Waran]

[Text] Kuala Lumpur, Fri.—The Barisan Nasional [National Front] is convinced that there has been no official talks between USNO [United Sabah National Organization] and Parti Bersatu Sabah [Sabah United Party, PBS] on the possible formation of a coalition government in Sabah.

Deputy Prime Minister Abdul Ghafar Baba said today that USNO President Datuk Amir Kahar Tun Datu Mustapha had met him this morning and denied reports that USNO and PBS planned to set up a coalition government in the state.

"Amir Kahar said he was not aware of any such talks with PBS and denied reports which implied that he was involved in such negotiations," he told reporters at the Kuala Lumpur International Airport in Subang after seeing off Prime Minister Datuk Sri Dr. Mahathir Mohamed who left for Bangladesh and Pakistan for official visits.

However, Ghafar did not rule out the possibility that other USNO members might be involved in "unofficial discussions" with PBS.

"Those who want to remain with the Barisan Nasional can do so and those who want to leave can leave ... it is as simple as that.

"In politics, it is no good coaxing people to remain in any party. We leave it to the politicians to decide according to their principles which party they want to join," he said.

It was reported on Feb. 6 that PBS and USNO leaders had met to discuss the possibility of forming a coalition government. It was also learnt that USNO had requested some posts, including that of a full state minister, two assistant ministers, and several other positions.

Most USNO members, including long-time dominant leader Tun Datu Mustapha Datu Harun, had left the party to join UMNO [United Malays National Organization]. USNO, however has 11 assemblymen in the 54-seat State Assembly.

On Feb, 9, three USNO State Assembly members, Haji Noor (Sulaman), Karim Bujang (Bongawan) and Dayang Mahani Tun Pengiran Ahmad Raffae (Lumadan) had spoken out against the proposed coalition and vowed to "sink or swim" with the Barisan Nasional.

Ghafar said it was not necessary to convene a Sabah State Barisan Nasional meeting to discuss the issue, but added that he would visit Kota Kinabalu next week for a first hand assessment of the situation.

He said it was possible that the PBS wanted to have a coalition government because it might be planning to call a snap election soon.

"I am not sure of this, but I guess there is a possibility. If not, why do they want a coalitlon since they have a two-thirds majority in the State Assembly.

"In 1985, we asked PBS to form a coalition with USNO, but they refused. Why do they want it now? There must be some reason," he said.

He said it was PBS' decision when it wanted to call for the state election, but he added that in the event of a snap election the Barisan Nasional would be prepared to field its candidates in all the seats.

He said UMNO and other coalition partners of the Barisan Nasional were not merely waiting for elections. They were constantly working towards the development of the nation.

"But we are prepared for elections. If the PBS calls for elections, we will be ready."

Singapore

Reportage on Philippine President's Visit

Ramos Addresses Conference

BK1202135493 Singapore Singapore Broadcasting Corporation in English 1100 GMT 12 Feb 93

[Summary from poor reception] The visiting Philippine President, Mr. Fidel Ramos, has called for more Singapore investment in the Philippines. Addressing a business and investment opportunities conference, he said his country had opened its doors wide to foreign businessmen. It is now easier and more possible to invest in the Philippines than before. Long-standing restrictions on foreign exchange transactions have been removed. Mr. Ramos said that there is a growing demand in the Philippines not only for the consumer goods but also for public services. This includes power generation, transportation, telecommunication, saving, and recreation. More leeway now exists for private and foreign investment. Singapore businessmen could also look for more tourist projects in the Philippines, such as in Mindanao, Palawan, and Cebu. Mr. Ramos said the Philippines looks to Singaporeans' efforts for economic growth.

He said there is much to learn from Singapore's experience, and at the same time it has much to offer opportunities to boost economic expansion.

Comments on Ties, U.S. Asia Policy

BK1202151593 Singapore Singapore Broadcasting Corporation in English 1400 GMT 12 Feb 93

[Excerpts] The visiting Philippine president, Mr. Fidel Ramos, has called for more Singapore investments in the Philippines. [passage omitted]

At a news conference later, President Ramos floated the idea of having a growth triangle between the Philippines, Singapore, and a third neighboring country. He said because they complement each other economically, Singapore and the Philippines could [words indistinct] neighbors.

On bilateral defense relations, he said both sides are still (?exploring) the possibility of having joint infantry training in the Philippines.

Asked about regional security, he said Southeast Asia and the Asia-Pacific region should be (?remaining) secure and stable. However, the present approach to regional security is not military alliances, but sustained economic progress and political stability.

On American policy toward Asia, President Ramos hoped President Bill Clinton would visit the Asia-Pacific region.

Mr. Ramos is hopeful that moderation would prevail in relationships in the Asia-Pacific region as well as in ASEAN's relations with other economic groupings.

On Filipinos working in Singapore, President Ramos said the general impression is that they are satisfied with their condition of work. He has asked both sides to take new approaches [words indistinct] involving Filipino domestic helpers so that they don't [words indistinct].

This evening, President Ramos and his delegation attended a dinner hosted by the prime minister. Among the Filipino guests were several ministers, senators, congressmen, and senior government officials. On the Singapore side, cabinet ministers, MPs, and senior government officials attended the dinner.

Ends Visit, Returns Home 13 Feb

BK1302115693 Singapore Singapore Broadcasting Corporation in English 1100 GMT 13 Feb 93

[Text] The Philippine President Mr. Fidel Ramos has returned home after a three-day state visit to Singapore. During his stay, he held talks with Singapore leaders on boosting bilateral economic relations.

Before leaving for home, President Ramos played a round of golf this morning with the prime minister, Mr. Goh Chok Tong. Both leaders have agreed that this visit should encourage further meetings between ministers of both countries to explore other areas of cooperation.

Trade Union To Invest in PRC Joint Ventures

BK1402083793 Singapore THE STRAITS TIMES in English 13 Feb 93 p 2

[Text] The NTUC [National Trade Union Congress] will invest more than $10 million [Singapore dollars] in business projects in China this year under three agreements signed by the labour movement and its counterpart in China yesterday.

The agreements between NTUC and its affiliated cooperatives and the All-China Federation of Trade Unions [ACFTU] spell out plans to set up a health resort in Guilin, run a taxi service in the Shanghai-Pudong district, and set up a clinic in Beijing.

The three agreements came just five months after NTUC Secretary General Ong Teng Cheong signed a memorandum of understanding [MOU] with the ACFTU in September to look into the possibility of setting up joint ventures in China.

Under the MOU between the NTUC and the ACFTU, the NTUC will spend [Singapore dollar] $2 million to build a new 50-room wing at a health resort in Guilin, which the ACFTU owns.

The MOU also pledges the two union movements to exploring the possibility of conducting tours in China and promoting cultural and sports exchanges between them.

In a separate MOU with the ACFTU, NTUC Comfort [taxi service] will form a U.S. $10 million joint venture with the Chinese union to run a fleet of 600 taxis in the Shanghai-Pudong district.

NTUC Comfort plans to put its first 100 taxis on the streets of the Shanghai-Pudong district by the end of the year. The remaining 500 taxis would be introduced over the next two years.

Comfort would provide 50 percent of the capital and running cost and appoint the firm's general manager.

In a third MOU between NTUC Income and ACFTU Income would help the labour movement in China set up a company to provide workers in China with medical and life insurance.

Initially, the company will operate in Guangdong, Hebei, and Beijing.

The ACFTU will send three of its staff to Singapore later this year to be trained by Income.

Speaking to reporters after the MOU signing ceremony at the NTUC's offices in Shenton Way, its assistant secretary general, Mrs. Yu-Foo Yee Shoon, said that the agreements had been reached after four days of final negotiations with a six-man team from the ACFTU, which arrived here on Monday.

On the NTUC's planned health resort, she said that in addition to the [Singapore dollar] $2 million spent on a new wing to the existing 150-room resort, NTUC would pay 50 percent of its operating costs. It would also appoint the resort's general manager.

The resort, which will be ready next year, will offer both Eastern and Western medical cures. It will be open to workers and tourists from Singapore and other countries.

The ACFTU runs about 150 resorts in China, which are used as holiday retreats by workers and those who need to recuperate from illnesses.

Some of the other projects in the pipeline are:

1. Clinics—the NTUC would set up a Medical and Health Centre in Beijing in a joint venture with the Chinese Medical Research Centre.

It will spend $250,000 [Singapore dollars] to build a new wing next to the existing research centre.

The centre will provide both Eastern and Western medical treatment to residents in Beijing. It will also have a pharmacy to sell medical products.

2. Tours and cultural exchanges—the two labour movements are also studying the possibility of organising tours from Singapore to the ACFTU's health resorts and other tourists spots in China.

Cultural and sports exchanges would also be organised on an ad hoc basis.

3. Supermarkets: NTUC Fairprice is looking at several sites in Shanghai and Beijing which might be developed into supermarkets.

Cambodia

France's Mitterrand Concludes Activities, Visit

Discusses Situation With Akashi

BK1202075893 Hong Kong AFP in English 0744 GMT 12 Feb 93

[Text] Phnom Penh, Feb 12 (AFP)—UN Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi told French President Francois Mitterrand that the Cambodian peace plan must go on despite the difficulties, a UN spokesman said Friday. Mitterrand was on a 24-hour visit to Cambodia in which he tried to revive the dying peace accords, which have been blocked by Khmer Rouge intransigence.

During a meeting with the four factions, he asked them to respect the peace agreements ending the civil war, saying they had better not make a mockery of international efforts at peace.

"The Paris agreement is still valid although the United Nations has had to make some adaptations due to the situation," spokesman Eric Falt quoted Akashi as telling the French president during a meeting Thursday. The four factions, including the Khmer Rouge, signed an agreement in Paris in October 1991 agreeing to lay down their weapons and vie in elections for a new government. But since then the Khmer Rouge have refused to do either.

Mitterrand and Akashi discussed the military, political and diplomatic situation in the country, Falt said. The spokesman said elections scheduled for May 23-27 would go on as planned.

"There is always a possibility they could not go forward" if UNTAC is not able to create a neutral political environment, Falt said. "But I don't see it falling apart.

Leaves Phnom Penh for Siem Reap

BK1202064693 Hong Kong AFP in English 0457 GMT 12 Feb 93

[Text] Phnom Penh, Feb 12 (AFP)—French President Francois Mitterrand left Phnom Penh Friday to visit the northwestern town of Siem Reap and the historic Angkor temples, where he was to sightsee and visit French legionnaires engaged in demining under the U.N. peacekeeping mission in Cambodia.

Mitterrand, who arrived in Cambodia Thursday from Vietnam, was due to return to France later via Ho Chi Minh City, southern Vietnam. He had talks with Prince Norodom Sihanouk, the head of Cambodia's interim Supreme National Council, Thursday, and with U.N. Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi. He told the four Cambodian faction heads including Khmer Rouge nominal leader Khieu Samphan that they had better not make a mockery of international efforts to bring peace to Cambodia.

Mitterrand also called for a moratorium on trade in anti-personnel mines in a country that has the highest per capita amputee population in the world as a result of such mines.

Meets French Troops, Departs

BK1202080893 Hong Kong AFP in English 0741 GMT 12 Feb 93

[Text] Ho Chi Minh City, Feb 12 (AFP)—French President Francois Mitterrand left here Friday for Paris following a four-day visit to the former French colonies of Vietnam and Cambodia. Mitterrand, who arrived in Hanoi on Tuesday, flew to Phnom Penh on Thursday for a 24-hour trip aimed at giving a boost to the country's stalled peace process.

During a brief visit Friday to the Cambodian tourist town of Siem Reap, 200 kilometers (125 miles) west of Phnom Penh, Mitterrand met with some 70 French military personnel serving with the U.N. Transitional Authority in Cambodia (UNTAC).

In conversation with a staff officer, the president thanked the troops "for the great service they are rendering to the country (Cambodia) and to France." He told one gendarme who asked how long they would be there, "as long as necessary," without elaborating.

There are currently around 1,500 French military personnel serving with UNTAC, which is charged with administering the peace process following the 13-year civil war up to elections in May.

The officer in charge of French mineclearing operations in Cambodia, Major Lionel Delay, praised Mitterrand's call Thursday for a moratorium on the trade in anti-personnel mines. There are some 400 civilian casualties every month from explosions of mines laid by the warring factions in Cambodia, which consequently has the highest per capita amputee population in the world.

The French president, accompanied by Prince Norodom Sihanouk, chairman of the interim Supreme National Council, then left under heavy security for a visit to the 11th century Angkor temple complex, the symbol of Khmer civilisation.

Concerns had been raised about Mitterrand's visit to Siem Reap where a bandit attack three days ago left three people dead.

Editorial Criticizes Visit

BK1302031093 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 12 Feb 93

[Station editorial: "People Are Asking This Question: Has French President Francois Mitterrand Come to Cambodia to Find Peace for Cambodia or to Kill the Cambodian Nation, People, and Race?"]

[Text] The Cambodian nation, people, and Cambodian national resistance forces clearly realize that:

1. The major goal of the persistent and systematic policies of the French Government of President Francois Mitterrand toward Cambodia is to have only one party in Cambodia, namely the puppet party of the Yuon [Vietnamese]. Thus, France is clearly helping the Yuon and opposing the entire Cambodian nation, people, and the Cambodian national resistance forces.

2. According to the doctrine of French President Francois Mitterrand, there is no problem even if Cambodia belongs to Vietnam because France has relations with the Yuon and also with the Cambodians who are the puppets of the Yuon. France has shared interests with Vietnam; France also has shared interests with the puppets.

This is why, when it comes to the Cambodian problem, France has been trying to find ways and means to destroy the Cambodian national resistance forces and assist the Yuon aggressors and the Yuon's puppets and lackeys. French President Francois Mitterrand has come to Cambodia with the aim of reviewing the plan to hold a presidential election ahead of the constituent assembly election in accordance with the plan of France and a number of bad allies within UNTAC [UN Transitional Authority in Cambodia].

What kind of president would come from such an election? Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, has said that a president elected in an election preceding an assembly election is a president with no credibility because there would as yet be no asssembly, no constitution, and no laws to determine the president's role, powers, and mandate.

Therefore, France and bad elements in its alliance want to hold elections to an empty presidency which has no power whatsoever and which is fully a puppet of the Yuon's puppets. If France manages to proceed with such a presidential election, France will have achieved the goal of legitimizing the puppets and the assembly of the Yuon's puppets, in other words legitimizing the Yuon aggression against Cambodia.

People would like to ask this question: Has French President Francois Mitterrand come to Cambodia to find peace for Cambodia, to save Cambodia, or to kill the Cambodian nation, people, and race? The Cambodian nation and people and the Cambodian national resistance forces know the policy of the French Government of Francois Mitterrand. Francois Mitterrand has come to Cambodia not to find peace for Cambodia and Southeast Asia, but as part of a colonialist, short-sighted, greedy, and ignorant policy, in accordance with France's strategic interests.

The entire Cambodian nation and people, both inside and outside the country, would like to convey this message to French President Francois Mitterrand: Concerning France, Francois Mitterrand can do whatever he likes. However, the Cambodian nation and people, along with people and countries the world over, do things independently according to their respective sovereignty and for the peace and security of their countries.

Khieu Samphan Asks UN To Cancel Polls

BK1602072193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 15 Feb 93

["Letter From His Excellency Khieu Samphan, Head of the Party of Democratic Kampuchea and Member of the Supreme National Council, to His Excellency UN Secretary General Butrus Butrus-Ghali and Their Excellencies the President and Members of the UN Security Council"]

[Text] To His Excellency Butrus Butrus-Ghali, secretary general of the United Nations, and their excellencies the president and members of the UN Security Council in New York:

Your excellencies, you are already aware of the prevailing serious situation in Cambodia in the 16 months since the Paris accord was signed. In messages and statements that he has successively addressed to the Cambodian people and the international community, Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC], has made the following remarks:

1. In his 13 December 1992 statement, Prince Sihanouk said that UNTAC [UN Transitional Authority in Cambodia] and the Phnom Penh regime, which are responsible for not implementing the Paris 23 October 1991 accord comprehensively and correctly, have no ability nor any intention to restore genuine democracy and peace to Cambodia.

2. In his 14 December 1992 statement, Prince Sihanouk said: The situation in my beloved motherland is presently extremely bad. Cambodia is heading toward dismemberment, and will eventually disappear as a country and state. At this time Cambodia is losing its soul and its national independence, sovereignty, and territorial integrity.

3. In his 7 January 1993 statement, Prince Sihanouk said: In my capacity as the SNC chairman, I have neither rights nor power. I am only a puppet, 90 percent of whose moral influence and popularity have been exploited and used to win over my compatriots in order to legitimize decisions counter to my patriotic tenets and the interests of our nation and race.

4. In an interview with the FAR EASTERN ECONOMIC REVIEW on 4 February 1993, the prince said: In order to declare to the United Nations and the world that it has already completed its mission, UNTAC has persisted in organizing elections despite the lack of conditions necessary for holding the polls. This represents a disgraceful farce.

The above statements made by Prince Norodom Sihanouk, head of state and SNC chairman, are clear evidence of the dark situation in Cambodia caused by the refusal of the Yuon [derogatory term for Vietnamese] and the Phnom Penh regime they installed in 1979 to implement the 23 October 1991 Paris Accord.

Concerning this issue, it is necessary to recall that the Yuon have continued to control Cambodia although they were forced, through the Cambodian people's struggle and pressure from the international community, to sign the Paris Accord on 23 October 1991.

At present, the Yuon aggressor forces are attacking resistance forces in Battambang, Siem Reap, and Kompong Thom Provinces. This is part of the 15th dry-season campaign, which is their second military offensive since the signing of the Paris accord. Along with the military operations, which have been denounced by the international community and UNTAC as the most serious violation of the Paris accord since its existence, the Yuon, through the Phnom Penh regime, have intensified terrorism against the Cambodian people and various political parties as well.

Now everyone knows that the Yuon's covert forces, which Mr. Akashi considers unofficial, continue to direct the Phnom Penh faction's administrative and political mechanisms—including the five ministries—from the Phnom Penh level down to the village and commune levels. The Phnom Penh faction is only window dressing for the clandestine networks of authorities organized by the Hanoi Yuon in Cambodia to control all kinds of work carried out since the signing of the Paris accord.

Along with this, the Yuon have also furthered the policy of Vietnamizing Cambodia, which they began implementing in 1979. Now in Cambodia, old and new Yuon settlers amount to more than two million or a quarter of the Cambodian population. This also includes 1.3 million holding Cambodian identity cards illegally issued by the Phnom Penh puppets. These Yuon settlers are well organized and armed. They are an invading force that has conquered and occupied Cambodia. Besides, the new Yuon forces have continued to flow into Cambodia one after the other. The signing of the Paris accord has not stopped the change in the demographic composition of Cambodia stipulated in resolutions successively adopted by the UN General Assembly.

Now the invasion of the country by the Yuon, who are everywhere in Cambodia, constitutes a danger to the nation's survival. This is because the Yuon have implanted their agents, cadres, and members of the Yuon Communist Party among the Yuon settlers to control and direct the administrative and political mechanisms of the Phnom Penh faction from top to bottom.

So in the current situation, Cambodia is still faced with fighting and widespread insecurity and terrorism and still lacks a neutral political environment. In other words, Cambodia still falls short of conditions required by the Paris accord before elections can be held. And UNTAC has persisted in holding the elections in May wihout taking anything into consideration. The decision to hold the elections in such a situation represents an encouragement to the Yuon and puppets, an endorsement of the perpetual occupation of Cambodia by the Yuon, and consent for the Yuon to Vietnamize Cambodia and turn the country into a second Kampuchea Kraom at will.

The general public predicts that from now till the holding of the elections, crimes and political terrorism against different political parties will increase and elections held in such a situation will produce an assembly and a government that will not be different from the so-called assembly and government of the Phnom Penh puppet regime. Nothing will be different because the assembly and government will be crowned by UNTAC alone. This is the most serious danger. Elections held in this situation would be tantamount to handing Cambodia over to the Yuon. As such, UNTAC and the United Nations will bear the heaviest responsibility to the Cambodian nation and people and history.

In any case, such elections should not take place because they are against the objective of the Paris accord, which is to protect Cambodia's sovereignty, independence, and territorial integrity. The holding of the elections will never bring about peace. We believe that the pretext of lack of time and money does not resolve the election issue.

We would like to raise this issue for your attention because we believe that before organizing elections, it is imperative to adhere to the essence and spirit of the 23 October 1991 Paris accord. Specifically:

1. The SNC should be the sole legitimate organization and source of power in Cambodia during the transition;
2. The withdrawal of all categories of Yuon aggressor forces from Cambodia should be verified and controlled; and
3. UNTAC and the SNC should cooperate to control the five important ministries.

In conclusion, we would like to appeal to his excellency the UN secretary general and the president and members of the Security Council to help prevent Cambodia from being eradicated as a country and a state, as Prince Norodom Sihanouk mentioned in his 14 December 1992 statement.

Excellencies, please, accept my highest regards.
[Dated] Phnom Penh, 12 February 1993
[Signed] Khieu Samphan, head of the PDK and member of the SNC

'Aim' of 10 Feb Hun Sen Statement Viewed

BK1302025993 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 12 Feb 93

["News commentary": "What Is the Purpose of Puppet Hun Sen's Ostentatious Statement at the 10 February 1993 Supreme National Council Meeting?"]

[Text] On 10 February 1993 puppet Hun Sen, traitor to the nation and lackey of the Yuon [derogatory term for Vietnamese], ostentatiously said he will use troops to take Pailin in 24 to 72 hours. What is the purpose of this statement by puppet Hun Sen, traitor to the nation and lackey of the Yuon? What is the aim of this statement and under what circumstances was this statement made?

People clearly realize that:

1. Hun Sen was ordered by the Yuon to say this in order to threaten those who have no fighting experience and to intimidate the situation and some people into submission and to prevent the latter from speaking out directly against the Yuon or their puppets.

2. Hun Sen's statement was made in a situation in which he has completely failed militarily over the past 13 years. He has also failed militarily, politically, and diplomatically over the past more than a year.

As of the end of 1991, the Cambodian nation and people and the Cambodian national resistance forces had 13 years of fighting experience against the Yuon enemy aggressors and their puppets and lackeys—militarily, politically, diplomatically, economically, and in psychological propaganda—and had strategically defeated them. And since the end of 1991 we have successively fought militarily, politically, and diplomatically and in implementing the Paris agreement. We have opposed and thwarted successive dirty plans and maneuvers of the Yuon from one phase to another.

Therefore, we, the Cambodian nation and people and the Democratic Kampuchea national resistance forces, are not the least bit impressed by the statement made by the one-eyed Hun Sen, traitor to the nation and lackey of the Yuon, who shouted like a parrot at the order of the Yuon.

If the Yuon aggressors and their puppets want to resume the war, we are ready to continue fighting against them, relying on a guerrilla war and people's war in the military, political, diplomatic, and economic fields, and in psychological propaganda, with a long-term strategy. If the Yuon and the puppets attack us, we absolutely must fight them.

Radio Commentary Criticizes UNTAC, Akashi

BK1402044893 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 13 Feb 93

[Station commentary: "Akashi, the Chief of UNTAC, is the Person Most Responsibile for the Current Cambodian Political Situation"]

[Text] At the Supreme National Council [SNC] meeting on 10 February 1993, Akashi, chief of UNTAC [UN Transitional Authority in Cambodia], evaded responsibility for the current political situation in Cambodia, which is dark and complex with no escape in sight. Instead, Akashi put the blame on Cambodian parties, saying that the existing structures of the Cambodian parties cannot ensure security for members of various political parties and everything is up to the Cambodian parties while UNTAC only provides assistance. Akashi also expressed concern over a nonneutral atmosphere.

Was Akashi correct in saying this? People also ask this question: What is UNTAC's task in Cambodia? We clearly realize that Akashi has said this because:

1. It is demagogic propaganda;

2. For over a year UNTAC has been monopolizing power, and now Akashi has turned to saying the above. Who is responsible for the present situation, in which there is no neutral political atmosphere but there is insecurity, political terrorism, and cruel massacres of the Cambodian people and members of various political parties? Who is responsible for solving this problem? Or is this being left to the Yuon [derogatory term for Vietnamese] and their puppets to solve? If this is left to the Yuon and their puppets, they will constantly deflect the issue to achieve their goal of continued occupation of Cambodia?

The fact is that the cooperation of the Yuon aggressors and foreigners with the puppets is just a smoke screen; it cannot solve anything. The fact is that the Yuon are aggressors. In such a situation, UNTAC must solve the problem by not granting the SNC a role and power as stipulated by the Paris Agreement. If the SNC is not given a role and power and UNTAC follows the above policy, will UNTAC allow the situation to deteriorate?

If this is so in practice, UNTAC is colluding with the Yuon in carrying out political terrorism to repress various political parties and to prevent the latter from having any voice so the Yuon and puppets can do what they like in Cambodia through shoddy elections, after which UNTAC will announce the results and the shoddy assembly. Thus, UNTAC does not want to be a responsible body but has refused to give the SNC power. Is this what the Paris agreement says? No. Here is the truth:

1. UNTAC has the task of cooperating with the SNC to verify that the Yuon aggressor forces are all withdrawn from Cambodia, the task of controlling the five ministries, and the task of controlling the demobilization of 70 percent of the Cambodian parties' armies.

2. UNTAC must establish a neutral political atmosphere in order to organize free, democratic, correct, and fair elections.

If Akashi denies responsibility and allows the Yuon and their puppets to create an atmosphere of political terrorism, in the future no one will believe him; he will have merely colluded with the Yuon and their puppets.

This is comparable to the police's not arresting thieves. Bandits commit robberies, the victims report this to the police, but the police say they have failed to arrest the thieves and it is up to the victims to try to solve the problem.

KR To Hold UN Responsible if Elections Unfair

BK1302061093 Hong Kong AFP in English 0556 GMT 13 Feb 93

[By Sherri Prasso]

[Text] Phnom Penh, Feb 13 (AFP)—The Khmer Rouge [KR] warned Saturday they will hold the United Nations responsible for the consequences if elections are held in an unfair environment in Cambodia, hinting the country will return to civil war.

"The consequences are that the election will produce a constituent assembly that ... will not be accepted by the Cambodian people. So the Cambodian people, as patriots, will commit themselves to do everything they could to preserve Cambodia as a nation," Khmer Rouge official Mak Ben said at a press conference.

"The struggle for the survival of a nation is a legitimate endeavour," he said, referring to the faction's guerrilla war waged over the last 14 years to topple the Vietnamese-installed Phnom Penh government.

The UN Transitional Authority in Cambodia (UNTAC), set up to organize elections in May to form a new government with an internationally recognized legitimacy, is trying to establish a neutral political environment in which elections can be held.

The Khmer Rouge, who refer to their struggle as expressing the will of the Cambodian people, say the elections will result in the rubber-stamping of the Vietnamese occupation of Cambodia.

However, Hanoi says all of its troops that invaded in 1978 withdrew 10 years later, and UNTAC can find no proof to the contrary.

"If the election is held in such conditions, this election will legitimize the Vietnamese aggression and occupation of Cambodia," Mak Ben said. "UNTAC will be held responsible."

The Khmer Rouge would now resume weekly press conferences, which were abandoned since October because the media did not believe what the faction was saying, Mak Ben said.

He would not give a clear answer when asked if the Khmer Rouge would join a post-election coalition government if the opposition FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party loyal to Prince Norodom Sihanouk wins the election.

"You cannot say yes or no, because you have a charter and you have not implemented the charter," he said, referring to the Paris peace accords ending the civil war which the Khmer Rouge say only they are abiding by.

"It is not a question of the number of seats, but of the general environment," he said.

As for the Phnom Penh government's threat to capture the Khmer Rouge stronghold of Pailin near the Thai border, Mak Ben said the government forces were only capable of advancing because UNTAC is giving tanks, weapons, and other material support to the "Vietnamese forces and their puppets."

"UNTAC should be responsible for any consequences resulting from the conflict (near Pailin) and other parts of the country," he said. "The situation is worsening."

PDK Spokesman Says Elections 'Manipulative'

BK1502020293 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 14 Feb 93

[Text] The spokesman of the Party of Democratic Kampuchea [PDK], at a news conference held in the PDK's office at the headquarters of the Supreme National Council [SNC] in Phnom Penh on 13 February, said if elections are held in a situation where all categories of Yuon [derogatory term for Vietnamese] aggressor forces continue to control Cambodia, this would be tantamount to legitimizing the Yuon occupation and allowing the country to be swallowed up. The spokesman added that the Yuon war of aggression has wreaked havoc upon the Cambodian nation and people for more than 14 years. Now, the manipulative elections being organized by UNTAC [UN Transitional Authority in Cambodia] are to rubber stamp the Yuon's occupation of Cambodia and to turn the country into a second Kampuchea Kraom.

The spokesman further stated that the Cambodian people have clearly seen that UNTAC chieftains have not paid the least attention to the fate of the Cambodian nation and people. They have not implemented the accord, verified and controlled the Yuon withdrawal from Cambodia, given any role to the SNC, and controlled the five ministries, but they have instead resorted to organizing the elections. This is against the Paris 23 October 1991 accord because the accord stipulates that security and a neutral political climate should be established before the elections are organized.

Is there security at present? The situation is indeed worsening as the Yuon continue to invade Cambodia. The Yuon and their puppets are carrying out military activities in this 15th dry season and instigating insecurity all over the country. The Yuon aggressor forces are controlling all kinds of working mechanisms and organizing all sorts of activities of the puppets from top to bottom. Along with this, the Yuon are conducting a new form of invasion of Cambodia by injecting scores of new Yuon into Cambodia. Now there are over two million Yuon settlers, or a quarter of the Cambodian population. So elections held in such a situation are the greatest danger to the survival of the Cambodian nation, people, and race.

The PDK spokesman concluded that the only solution to restoring peace, independence, and national unity to Cambodia is that the Yuon and their puppets and the UNTAC chieftains must correctly execute every clause of the Paris accord, especially the clause giving the SNC the rights and power to verify and control the presence of the Yuon aggressors and the clause requiring UNTAC to cooperate with the SNC in controlling the five important ministries.

Sihanouk Issues 14 Feb Statement on Elections

BK1502143193 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 15 Feb 93

["Statement" issued by His Royal Highness Prince Norodom Sihanouk of Cambodia in Phnom Penh on 14 Feburary—read by announcer]

[Text] During the recent official visit to Cambodia by His Excellency [H.E.] Francois Mitterrand, president of the French Republic, a number of French journalists wrote that I, Norodom Sihanouk, had rejected France's proposal that presidential elections in Cambodia be held before the legislative elections.

In this connection, I would like to issue the following statement:

I. I am extremely moved by the noble kindness shown by H.E. President Francois Mitterrand toward my person and I would like to express my most profound thanks to him.

II. Certain foreign powers among the permanent representatives of the UN Security Council, that is, the Big Five, as well as certain Cambodian political parties and factions are opposed to the holding of presidential elections in Cambodia before the legislative elections. Because these presidential elections have generated so many endless, lengthy arguments and spawned a search for all types of intrigues by certain sham politicians, I deem it necessary for me to give up and not participate in them.

III. The validity of the results of the elections organized by UNTAC [UN Transitional Authority in Cambodia] in May 1993 in Cambodia will surely be completely rejected and strongly condemned by the Party of Democratic Kampuchea [PDK] and their armed forces and also by most of other losing factions or political parties who will claim that they lost because of UN bias; because too many Vietnamese voters, both male and female, disguised as Cambodians are allowed to vote; because overseas Cambodians and Cambodians from Kampuchea Kraom [southern Vietnam] are not given the right to vote like the others; and so on and so forth. It is very easy to come up with all these pretexts in advance.

In the situation described above, I strongly believe that there will be the risk of serious disorder that can cause instability, insecurity, and even war after the elections of May 1993. For this reason, I have decided not to participate in the presidential elections, which are rejected and condemned by the PDK and their armed forces and which will take place in a situation in which my country is divided as it is now and in the case that I am the symbol of national unity and territorial integrity.

I will respect to the end my signature and participation in the Paris agreement on Cambodia dated 23 October 1991 by continuing to give UNTAC, and especially H.E. Yasushi Akashi, my sincere and full cooperation until the legislative elections in May 1993.

In my capacity as the chairman of the Supreme National Council of Cambodia, I will officially recognize the validity of the legislative elections and their results when announced correct by UNTAC. I, however, will not participate in the presidential elections, no matter what their date, because my country and the Cambodian people throughout Cambodia will need Norodom Sihanouk to be neutral and uninvolved in any elections that are opposed by a large number of Cambodians so that I can stop the Cambodian nation and race from sliding toward an irreversible partition and a deadly civil war.

It is only in placing myself clearly above all the Cambodian factions and political parties and outside of UNTAC elections that I can assure the salvage of the shipwrecked Cambodian ship when most needed.

[Dated] Phnom Penh, 14 February 1993
[Signed] Norodom Sihanouk

Mentions 'Political Wrangles'

BK1602020493 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 15 Feb 93

["14 February 1993 Statement by Prince Norodom Sihanouk, Head of State and Chairman of the Supreme National Council, on His Nonparticipation in Presidential Elections and Legislative Elections"—read by announcer]

[Text] 1. Certain foreign powers which are incremental members of the Big Five and some Cambodian political parties are objecting to the holding of presidential elections ahead of the legislative elections. Because of political wrangles over the issue of the presidential elections, I reluctantly give up and will not take part in them.

2. The Party of Democratic Kampuchea [PDK] and the National Army of Democratic Kampuchea [NADK] will completely reject and vehemently condemn the results of the elections to be organized by UNTAC [UN Transitional Authority in Cambodia] in May 1993. Most of the factions and political parties which lose will also reject the election results, and will claim that they lost because UNTAC was biased, that too many Yuon—both male and female—disguised as Cambodians were allowed to vote, and because overseas Cambodians and Cambodians from Kampuchea Kraom [southern Vietnam] were not allowed to take part in the elections.

In such a situation, I am extremely concerned that there would be disorder, instability, and insecurity which could spark off a war after the May 1993 elections. Therefore, I have decided not to stand in the presidential polls, which is rejected and condemned by the PDK and NADK, and which will indeed bring about the partition of my motherland for which I am the symbol of national unity and territorial integrity.

I will not take part in the presidential elections, no matter what the date, because in May or June 1993 my country and the Cambodian people will need Prince Norodom Sihanouk, who is neutral and uninvolved in any elections that have been rejected by the majority of Cambodians. My nonparticipation in the presidential elections is to prevent Cambodia from sliding toward a partition and a civil war that will bring the Cambodian nation and race to an end.

Only by placing myself above all the Cambodian factions and political parties and outside of UNTAC elections can I ensure the salvation of the shipwrecked Cambodian ship.

Phnom Penh Says KR Plans To Sabotage Polls

BK1502072293 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 14 Feb 93

[Text] A group of 20-30 Khmer Rouge [KR] rebels from the 520th Regiment in the 785th Division raided the commune office building and police station at (?Sovong) Commune in Baray District of Kompong Thom Province at 1230 on 10 February. As a result, two villagers were wounded; two guns are missing; a police station and a commune office building were damaged; and 30 sets of civilian clothes or police uniforms, a cassette recorder, five car batteries, a radio set, and some money were taken away.

Moreover, a group of 38 Khmer Rouge rebels armed with three M-79 grenade launchers, five AK (grenade launchers), and 28 AK assault rifles from the 27th Autonomous Brigade in Sre Ambel District of Koh Kong Province at 0800 on 6 February commandeered two logging trucks to transport 110 (?B-40) rockets, 70 rounds for AK (?grenade launchers), eight cases of AK cartridges, and four cases of mines from an area near Sneha Creek, south of Stoeng Chhai village. They told the local villagers they will launch attacks to sabotage elections to be held in the near future.

Vietnamese Absorption of Area in East Alleged

BK1502035993 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 14 Feb 93

[Text] According to the people in Svay Rieng Province, many officers of the Phnom Penh faction stationed in Kompong Rou and Svay Teap districts of Svay Rieng Province have complained that now Cambodia's Parrot's Beak region in Svay Rieng Province has been completely absorbed by the Yuon [derogatory term for Vietnamese]. The area no longer belongs to Cambodia.

The people say the Yuon aggressors have plundered the portion of our territory between Thmei commune in Kompong Rou District and Bavet commune in Svay Teap District. The jungle-covered area between the two communes has been denuded of trees and levelled by the Yuon aggressors. And any villager or puppet soldier found sneaking into the area will be summarily executed.

The people add that along with this, the Yuon aggressors have also sent many hundreds of families of Yuon settlers to Thmei, Nho, Khset, Krang, Chanti, Prasat, Bavet, and Bati communes in Kompong Rou and Svay Teap districts. These Yuon, who have come in groups and been set up as armed mass organizations, have now almost completely annexed the two districts.

The people further say a number of villagers and puppet soldiers have filed many petitions with puppet leaders, but the latter have warned them against opposing the Yuon masters, arguing: Don't you know that it is those Yuon who have protected all of you.

The people are extremely furious with traitors Hun Sen and Chea Sim, who have sold the region to the Yuon and warned the people not to oppose the Yuon. Glaringly, they are the nation's greatest traitors, serving the Yuon policy of aggression and annexation. The people have pointed out that UNTAC [UN Transitional Authority in Cambodia] is also aware of this issue, but has taken no action because it is in collusion with the Yuon and the puppets.

The people add that there is nothing left to do but join with the resistance forces to continue the struggle until the Yuon aggressors and their puppets and UNTAC are forced to correctly implement the accord, especially until the complete withdrawal of Yuon aggressor forces from Cambodia is verified and controlled. This is to allow Cambodia to recover genuine peace, security, independence, sovereignty, and territorial integrity.

Falt: Thais, Japanese 'Violators' of Log Ban

BK1602114893 Hong Kong AFP in English 1025 GMT 16 Feb 93

[By Sheri Prasso]

[Text] Phnom Penh, Feb 16 (AFP)—Thai and Japanese concerns are the biggest foreign violators of Cambodia's moratorium on the export of raw logs, a U.N. spokesman said Tuesday.

But Cambodians from three of the country's factions—including the Khmer Rouge—were actively involved in chopping down the trees for export and allowing them to cross the border, said U.N. Transitional Authority in Cambodia (UNTAC) spokesman Eric Falt.

The Phnom Penh government is responsible for 42 of 46 violations, of which the Khmer Rouge were accountable for only three due to UNTAC's inability to monitor Khmer Rouge territory.

The figure for Khmer Rouge violations, "in all likelihood is not accurate," Falt said.

"We believe the measures are having a significant effect on the export of logs out of Cambodia," he said. "There are still some violations observed."

Falt noted that the observed violations were becoming "less and less" frequent but that shipments of logs were increasingly clandestine.

Companies and individuals from Thailand were the biggest violators, with UNTAC noting 21 violations totalling 21,802 cubic meters of logs between January 1 and February 5.

Thai military authorities have denied they allowed any logs to cross the border at any time. The Phnom Penh government has also denied allowing logs to cross the border, even though their officials have been caught by UNTAC stamping papers of approval.

The second-largest violator were Japanese concerns, with three violations totalling 13,142 cubic meters of logs being loaded onto ships in Cambodia's ports, Falt said.

The "Perlas I" left for Hiroshima with 3,000 cubic meters on January 2, while the "Shiny River" with 5,000 cubic meters left for Nagoya on January 7 and the "Dooyang Coral" set sail for Toyama with 5,000 cubic meters on January 6, Falt said.

On Monday, Japanese officials in Tokyo said the country had banned imports of Cambodian logs only after January 8, and denied illegally importing the logs.

Falt said no other Japanese violations were reported after the ships left the ports of Sihanoukville and Koh Kong.

The moratorium here went into effect on January 1.

Vietnamese concerns had eight reported violations, but involving only 1,871 cubic meters of wood.

Companies and individuals from Hong Kong, Singapore, Pakistan and Laos were also violating the ban, Falt said.

U.N. officials have reported mass destruction of the country's resources due to indiscriminate logging.

Ironically, the ban on exports of logs is causing thousands of makeshift sawmills to spring up all over the country for the purpose of cutting logs in half or cutting off the bark before they are exported.

Because the Phnom Penh government has said it wants to legally export 200,000 cubic meters of wood this year, it must cut 400,000 cubic meters of raw logs to meet its quota, U.N. deputy director of rehabilitation Michael Ward said.

Cambodia's sustainable yield is only 250,000 cubic meters of export-quality logs annually, according to a U.N. Development Programme study.

A U.N. video shown to reporters showed some of the destruction caused by slash-and-burn tactics employed near the border with Vietnam. The loggers burn away the undergrowth to make their way to the larger trees.

"In Mondolkiri (Province), there is massive destruction going on; there's hundreds of these fires and thousands of acres involved in each one," said UNTAC border control officer Robert Hull.

He said the province was already beginning to suffer from massive erosion.

"The moratorium is efficient but not enough," Falt said. "It is the [word indistinct] of the Cambodians to stop illegal logging.

Indonesia

Dili Bishop Urges E. Timor Autonomy

BK1302045493 Hong Kong AFP in English 0226 GMT 12 Feb 93

[Text] Lisbon, Feb 12 (AFP)—The Bishop of Dili in East Timor called Thursday for the former Portuguese colony to be granted autonomy by Indonesia, which annexed the country after invading in 1975.

Bishop Ximenes Belo said that the "most realistic" solution was for the country to be granted an autonomous status "identical to that granted by the United States to Puerto Rico." East Timor would remain "economically linked to Indonesia but would retain its own cultural and ethnic identity," he said in an interview in Dili with the private Portuguese television channel SIC.

Belo said he would write to UN secretary general Butrus Butrus-Ghali condemning Indonesian abuses of human rights in East Timor.

"I am not happy with the situation which reigns throughout the territory where there are breaches of human rights and (individual) beliefs and the imposition of lies and falsehoods," he said. The United Nations has refused to recognise Indonesian rule over the territory.

Belo was speaking to journalists who had been attending the trial of Xanana Gusmao, leader of the East Timor independent movement who was captured in Dili on November 20. He is appearing in court on rebellion and conspiracy charges and could face life imprisonment if convicted. However, Portuguese journalists were ordered out of Dili Thursday by the Indonesia authorities.

Minister: Suharto Never Dictates to Factions

BK1302055793 Jakarta ANTARA in English 0500 GMT 13 Feb 93

[Text] Jakarta, Feb 13 (OANA/ANTARA)—President Suharto never dictates to factions in the People's Consultative Assembly (MPR) in connection with the nomination of candidates for the country's next vice president, Home Affairs Minister Rudini has stated.

The head of state gives the factions full freedom to choose their ideal candidates, he told provincial governors and regents in a meeting here on Friday.

"Even to Golkar (ruling party), the advisory board of which he is chairman, President Suharto never dictates," he said.

Rudini said that the vice presidential election which is scheduled next month would run smoothly because he believed through deliberations all factions were able to envisage their potential nominees.

"So, do not imagine (there will be) problems during the election session," he said.

The ABRI (Indonesian Armed Forces) faction in the MPR here on Friday announced that it would back ABRI commander General Try Sutrisno for the country's next vice presidency.

Another faction which has expressed backing to Try Sutrisno's nomination as the next vice president is the Indonesian Democratic Party (PDI). The Golkar faction together with the regional representatives faction and the

United Development Party (PPP) faction have not yet announced their vice presidential candidates.

But all five factions in the MPR have agreed at the MPR general session, scheduled for March 1 to 11, to renominate the incumbent President Suharto for a sixth five-year term of office.

Reportage on Visit by Papua New Guinea Premier

Papers Welcome Visit

BK1202122093 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 12 Feb 93

[From the press review]

[Text] BERITA YUDHA has expressed the opinion that growing mutual understanding between Indonesia and Papua New Guinea, PNG, brings great benefit to the two countries. According to this daily, in the post-cold war era, the most appropriate thing to do is to develop cooperation. Indonesia and PNG are expanding a mutually benefitting cooperation based on mutual respect for each other. It is natural that a small or serious problem could arise between two neighboring countries. However, our past experience shows that, based on respect for each other's territorial integrity and sovereignty, every problem can be solved.

In the meantime, KOMPAS says that Indonesia has a similar wish regarding PNG—we want to promote business between the two countries. According to KOMPAS the current visit by PNG premier Paias Wingti is very interesting. The large PNG delegation is comprised of about 200 persons. Seven cabinet ministers were in Paias Wingti's entourage, 18 parliamentarians, and 158 business executives. The large number of representatives from the private sector that joined the visit are interested in learning and setting up business ventures with their Indonesian counterparts. In this way, all objectives aimed at supporting the promotion of economic and trade cooperation betwee the two countries is expected to be a strong base for achieving our common goal.

According to SUARA KARYA, current economic ties between Indonesia and PNG are not very meaningful yet, but bilateral economic cooperation between the two countries should be placed in a long-term perspective by looking into the potentials possessed by each side. In view of this, bilateral economic ties between Indonesia and PNG, which is located at the Southwestern part of the Pacific, is one of the pillars of the South-South cooperation which should be given more concrete substance. SUARA KARYA says Indonesia, being the current chairman of the Nonaligned Movement, is obligated to contribute to this cooperation.

Economic Cooperation Accord Signed

BK1202135793 Jakarta ANTARA in English 1239 GMT 12 Feb 93

[Text] Jakarta, Feb 12 (ANTARA) - Indonesia and Papua New Guinea have agreed to enhance ecomomic cooperation through signing a memorandum of understanding by the two countries' chambers of commrce and industry here on Thursday night.

The vice chairman of the Indonesian Chamber of Commerce and Industry, Nawawi, said that the two countries, based on the memorandum of understanding, are committed to intensify exchanges of information on respective markets in an effort to improve bilateral trade.

Apart from that, he added, Indonesia and Papua New Guinea will conduct exchange of visit of representatives of the two countries' chambers of commerce, hold trade exhibitions, and establish a bilateral trade committee.

Nawawi contended that the signing of the memorandum, which was signed by the chairman of the Indonesian Chamber of Commerce Sotion Arjanggi and his counterpart, Stan Joyce, is important in support of the ongoing South-South cooperation.

On the trade volume between the two countries, Nawawi said that the bilateral trade between the two countries is still relatively low, amounting for only U.S [figure indistinct] anually.

The main Indonesian commodities to Papua New Guinea are electronic components and building materials, while Papua New Guinea relied on vegetable oil as its major export commodity. Nawawi was of the opinion that Papua New Guinea will serve as a potential market for Indonesia as it is an immediate neibouring country.

Wingti Addresses News Conference

BK1402090293 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 14 Feb 93

[Text] Papua New Guinea Prime Minister Paias Wingti said his country will further upgrade bilateral ties with Indonesia and boost his country's role as a bridge to link ASEAN and Asia-Pacific countries. Speaking at a news conference in Jakarta last night, Wingti said the PNG would make efforts to restore its important role in the South Pacific countries as well as in Australia and New Zealand. The South Pacific countries include Fiji, Tonga, the Solomon Islands, and Vanuatu.

The PNG prime minister described as successful his visit to Indonesia in boosting bilateral relations in all fields, such as trade, information, technical exchange, border arrangements, transportation, and telecommunications.

Understands Military Build-up

BK1402101293 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 14 Feb 93

[Text] Papua New Guinea Prime Minister Paias Wingti says he fully understands Indonesia's military build-up because Indonesia needs stability and security for its development programs. Replying to a question by reporters on the impact of Indonesia's military build-up on the PNG, Wingti said countries like Indonesia, Malaysia, Singapore, as well as the PNG definitely need security for their economic development and the increase in their people's living standard.

The PNG prime minister said people must understand Indonesia, which attaches great significance to national stability. He added that he also appreciated Indonesia's stand, which stressed the need for peaceful coexistence with neighboring countries, such as Malaysia, Singapore, and the PNG.

Ends Visit 14 Feb

BK1402124693 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 14 Feb 93

[Text] Papua New Guinea [PNG] Prime Minister Paias Wingti this morning returned home via Jakarta's Halim Perdanakusumah Airport after a five-day official visit to Indonesia aimed at boosting bilateral relations. The PNG premier yesterday bid farewell to President Suharto at Jakarta's Merdeka Palace. Last night, he still managed to meet several Indonesian businessmen, especially those who are involved in the processed food industry. During his visit, the PNG premier put special emphasis on boosting economic and trade relations because the two countries have no political problems. He was accompanied by about 150 PNG businessmen during the visit.

Philippines

Authorities Lift Restraining Order on Americans

HK1302031593 Quezon City ABC-DWET Television in English 1300 GMT 12 Feb 93

[From "DWET News Program"]

[Text] The Bureau of Immigration and Deportation [BID] today lifted the restraining order preventing six [as heard] American engineers from leaving the country. The BID earlier stopped the six Americans from leaving after they failed to show up at the Senate Blue Ribbon Committee hearing to which they were summoned.

The American engineers were asked to shed light on anomalous construction projects in lahar-ravaged Central Luzon. They objected to the dredging of the heavily-silted Bocao and Santo Tomas rivers. Blue Ribbon Chairman Senator Ernesto Maceda wanted them to air their objections in the committee's hearing to show the futility of the dredging operations. But the Americans snubbed the hearing.

Maceda then had the immigration bureau stop the American engineers from leaving yesterday afternoon. But the foreign affairs department urged the BID to lift the restraining order. The U.S. Embassy earlier said that the engineers enjoy diplomatic immunity.

Officials Fear NAFTA To Cost $2 Billion

HK1602013693 Quezon City ABC-DWET Television in English 1300 GMT 15 Feb 93

[From the "ABC-DWET News Program"]

[Text] The country could lose U.S. $2 billion dollars of export sales to North America when the North American Free Trade Agreement [NAFTA] takes effect next year, officials from the Department of Trade and Industry [DTI] revealed today to three House committee inquiries on NAFTA, stressing that the garments and textile sectors will be most affected. NAFTA's preferential treatment for Mexico is seen as the most detrimental provision in NAFTA. Philippine sugar and coconut exports are also expected to be affected by the trade agreement.

To cushion the impact of NAFTA, the DTI recommends that other markets in Central and South America be tapped. Linking up with Mexican businessmen through trade agreements will give the Philippines access to NAFTA.

Ramos Discusses Security, Japan Visit

HK1502094793 Manila DZXL Radio Mindanao Network in Tagalog 0605 GMT 15 Feb 93

[News conference by President Fidel V. Ramos at Malacanang Palace in Manila, moderated by Press Secretary Rodolfo Reyes, with unidentified domestic and foreign correspondents—live, in English]

[Excerpts] [reporter] Good afternoon, Mr. President. Talking about the importance of the state visits, will the Philippines have managed to produce joint-venture arrangements and subcontracting jobs with Singapore industrialists without the personal representation of the president?

[Ramos] The Philippines is seen as a very good investment, tourism, and trade destination at this particular time for many important reasons: First is there is a new policy environment that has liberalized investment, trade and in fact opened up the door completely. The foreign investment code has also provided a better playing ground for investors. Then there is our advantage of a lot of land available, a lot of natural resources, and—perhaps most important of all—a trained labor pool, up to the very highly skilled level, who are for the most part English-speaking. And so I see my role not as the one and only big difference or factor that will make a deal between the two private sectors completed. But I think the more important thing to remember here is that we are showing government support to our private sector by getting the government sector in the host country, like Singapore, to see the reforms and changes in our government policies, structures, and leadership especially. So that is why we have sort of combined these state visits to our neighbors in ASEAN with a trade, investment, tourism, promotion effort by way of showing support to our own private sector.

If you will remember, the private sector delegations accompanying me are not just the tycoons of Philippine business, but also representatives of such ongoing and viable ventures of the small people, like those in cut flowers, the small-time medium-scale entrepreneurs, the artisans of Bulacan, etc., etc..

[Reporter] A follow-up, Mr. President. In what other ways have you forged closer political and cultural ties with Singapore in your three-day working visit?

[Ramos] Well, first of all, our joint commitment helps improve the stability of ASEAN and Asia and the Pacific itself, which in the postwar era is no longer to be attained by a build-up of military arms or via the procurement of weapons. In our case in the Philippines, our defense policy is to ensure our internal territorial integrity, in other words our internal security, by having an armed forces that will ensure us against illegal entry, intrusion, and the violation of our borders. ASEAN leaders have also articulated that common perception that it is economic cooperation, economic sufficiency, and economic competitiveness that will help promote this stability more than any military build-up. But it is necessary to maintain good relations with the powers, especially those that are dedicated to freedom and democracy as the Philippines is.

[Reporter] Thank you, Mr. President.

[Reporter] Good afternoon, Mr. President. I understand that you will be leaving for Japan next month upon the invitation of the Japanese Government. May we know the purpose of this visit and what agreements do you expect to forge with the Japanese Government?

[Ramos] Again, this is part of [passage indistinct] and the joint base agreed upon, which will be convenient for both parties. In the case of Japan, we must understand that she is the biggest donor of official assistance to the Philippines, and this has been going on for many, many years. Japan is also our biggest investor in the Philippines, and it is also with Japan that we have the biggest trading volume, both ways. And so what I hope to attain is again support for our Philippine Government programs based on our five priority areas: national stability and security, economic growth, power and energy development, protection of the environment—and there are resources which I understand that the very rich countries in the world can make available for those countries that still have an environment to protect, like the Philippines—and in an indirect way the streamlining of our bureaucracy, because Japan is into a lot of training programs for efficient administration and government.

Now, as far as promoting our economic activities and programs is concerned, we expect that our private sector will be able to cement and tie together certain joint ventures that already have been in the mill for some time, because the Japanese proponents have been coming here to visit us in the Philippines. Some of them are, in fact, in place already, like the 900 million-Philippine-peso enhancement of the Science Park in Laguna. The other aspect of this is that we would want to get Japan's support in the next pledging session for the Philippine Aid Program, or the PAP, which has been going on from year to year. And Japan still has been the largest supporter yet. [passage omitted]

[Reporter] Sir, the state of ambushes and violation of the cessation of hostilities [as heard] of the Moro National Liberation Front [MNLF] with the government—will you see this as an indication that the MNLF does not intend to go through with the peace process with the government?

[Ramos] The reports received so far and the analysis of these reports indicate that this was done by a so-called lost command, and, secondly, that it will not hamper the peace process. On the other hand, in order to protect the safety of the people in Basilan, which is an island province, we have given the Department of National Defense and the Armed Forces of the Philippines, supported by the Department of Interior and Local Government and the Philippine National Police, the authority to go ahead and conduct follow-up operations but with one condition: keeping uppermost in mind public safety. That is clear.

[Reporter] The defense minister of Malaysia has been quoted as saying that they're willing to go to war over Sabah. Could we take this to mean that the Philippines would some day be willing to drop its claim?

[Ramos] First of all, I think we should see this in the proper context, that the defense minister of Malaysia was reacting to a statement by Sultan Jamalul Kiram III. Now, in the first place, the statement of Sultan Jamalul Kiram III should not be taken so seriously. After all, we have already agreed with Prime Minister Mahathir that problems between Malaysia and the Philippines will be attended to more expeditiously by the joint Philippine-Malaysian Commission which we agreed to establish the last week of January, when I was in Malaysia. [passage omitted]

[Reporter] Sir, another question. Cardinal Sin seems to be increasingly vocal in his opposition to your policies. Yesterday he said that he is supporting labor groups who are against higher power rates. Would you consider dialoguing with the cardinal to get his support?

[Ramos] Yes, by all means. Dialogue is the best solution, not statements, especially very bold statements, in the media. Dialogue.

[Reporter] Just a follow-up question on the MNLF case. There was a warning from an MNLF leader that, if the government would continue to pursue its full-scale campaign against a 300-man band in Basilan, the MNLF might go into a full-scale war against the government. What is the government's reaction to this?

[Ramos] Well, again, I said it already, we have authorized the Department of National Defense and the AFP [Armed Force of the Philippines], supported by the DILG-PNP [Department of Interior and Local Government-Philippine National Police], to follow up these operations for the purpose of catching or neutralizing the perpetrators, keeping in mind as uppermost public safety, meaning we have to neutralize those people for the purpose of public safety. At the same time, we must be careful in not involving or victimizing innocent civilians or bystanders, because than that would be also endangering public safety. Now, I don't know how much we should believe the so-called spokesman, but, if you examine the record of senatorial candidates very carefully, he ran for the Senate, and he was the last of the more than 178 candidates for the Senate, for 24 slots in the Senate.

[Reporter] Sir, you have critics in the private sector who are criticizing, saying that your bringing with you some of the titans or the tycoons, Philippine business leaders, on your foreign trips is contrary to your policy of dismantling monopolies and that it might create some favoritism in the government.

[Ramos] Well, I said already that we bring also the representatives of the small and medium scale entrepreneurs on these visits. Now, what we should look at is the nature of the agreements that have been forged. I think it is inevitable that there should be also the big wheels, the so-called decisionmakers here, who have completed ventures ready for signing to accompany me. But, if you look at the nature of some of these agreements, they are to liberalize the Philippine economy, and they are to generate jobs; they are to increase personal as well as national income.

Example: the one between Singapore Telecommunications and Ayala, represented by Globe Telecom Company in the Philippines. What does that do? It will serve to open new windows and new doors for the liberalization of the telecommunications industry by getting a powerful and prestigious and world-capable Singapore telecommunications company to be the ally of a Philippine telecommunications company that is not as big as the giants that you are thinking of. This is by way of providing more lines, more cellulars, more market penetration versus the monopolies, and better service overall to the Philippine people. If there was any agreement between a big Philippine firm and a Singapore computer company, well, that will redound to the employment of several thousands of bright Filipinos who will be trained in their computer capability so that they can be exposed to higher jobs—not necessarily in the Philippines—which is the kind of work we are into now. If there were two big companies that signed an agreement in regard to food processing, in Subic, this is because this will create jobs for at least 700 Filipinos and will manifest the investment for the first time by a Singapore company in Subic. It's a breakthrough.

[Reporter] Good afternoon. My questions are both follow-ups to the two earlier questions. Sir, in line with your liberalization program of the telecommunications system, there was a news item the other day saying that you will soon be issuing an executive order compelling the PLDT [Philippine Long Distance Telephone Company] to allow other telecommunications companies to interconnect with their lines...

[Ramos, interrupting] These are just studies being made, because we have to aexamine the nature of the franchises of the companies, and we have to be very sure that we do not step on legislative turf here, since the companies concerned have very easy recourse to the courts. So these are just proposals, actually.

[Reporter] Sir, another question is that, aside... [changes thought] the statement of Cardinal Sin opposing the power rate increase—aside from dialogue, is the government standing firm on its plan to raise the power rates?

[Ramos] Yes, because we have seen it as a necessary investment by the public, by the consumers, into our power and energy development program. We cannot do this forever by government subsidy, and we cannot accelerate our rates of growth in the power sector unless we invest more substantially in energy and power infrastructure. On the other hand, you will note also that we have been able to get a lot of BOT [build-operate-transfer] arrangements from the private sector put in place. Many of these requirements—such as the 18-centavo power hike, which Napocor [National Power Corporation] would want to put in place so it could avail of a 110-million dollar loan—are for the distribution system. So, what good will be so many power plants put up under BOT through the initiative of the private sector, if these are not connected to the wholesalers and to the retailers and, eventually, to the consumers of electric power? [passage omitted]

[Reporter] Mr. President, the Indonesian Government has bought about 36 patrol crafts from the East German Navy. The Malaysians are shopping for two squadrons of MiG-29's. Given this purchase of military equipment by these two countries, do you see the near future in the region being threatened by the purchase of these and disturb the balance of power in the region?

[Ramos] I am not bothered by this. They have their own programs. And these are programs, I suppose, they can afford. We have our own modernization programs consisting of the jet trainer aircraft, the fast patrol craft of the Navy, and the armored car program for the Army.

And, as I said, our objective is to provide our armed forces the means with which to defend our territory and prevent intrusion and illegal entry and illegal exploitation of our resources at our borders. [passage omitted]

Malaysia Said Ready for War Over Sabah Issue

HK1502051593 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 14 Feb 93

[Text] Malaysia has reportedly expressed readiness for war in defense of its Sabah claim. Malaysian Defense Minister Mohamed Najib bin Tun Haji Abdul Razak made the statement in reaction to Sulu Sultan Gamalul Kiram's pronouncement that he will wage a holy war together with those he claims are the real heirs of Sabah in a bid to regain the territory. Najib, however, assured Kiram's plans will fail because Malaysians will fight for the island until the last drop of their blood. Kiram earlier demanded 10 billion U.S. dollars from Malaysia in payment for the use of Sabah's natural resources, such as oil.

Meanwhile, Press Secretary Rodolfo Reyes has advised those claiming to be heirs to Sabah not to react hastily, stressing war with neighboring countries is not the solution to the issue.

Singapore Agrees To Form Joint Economic Council

HK1502124193 Manila THE MANILA CHRONICLE WEEKLY in English 14 Feb 93 pp 1, 6

[Text] Philippine and Singaporean authorities have agreed to form a joint economic council composed of senior officials from both countries that will work toward stimulating economic cooperation and will deal with the problems of Filipino workers in Singapore. In a statement upon arriving from a state visit to Singapore, President Ramos said the council, proposed by Trade and Industry Secretary Rizalino Navarro, is expected to find ways to "improve and strengthen, in tangible terms, the relations between the Philippines and Singapore."

At the same time, officials from both countries will consider the creation of a "grievance mechanism" that will look into the plight of abused Filipino workers in the city state, Sen. [Senator] Heherson Alvarez, a member of the President's official party, said. Labor Secretary Nieves Confesor said the council would be composed of representatives from the Singaporean Ministry of Labor, the Philippine embassy and officials from the Department of Foreign Affairs.

The proposal also calls for a study of other problems confronting Filipino workers, such as lack of working permits and irregular salaries. Alvarez said Philippine officials proposed that a labor levy paid by Singaporeans who hire Filipino domestics be tapped for welfare projects. Alvarez said Singaporean officials were cool to the proposal, saying the levy was basically a way of discouraging Singaporeans from employing foreigners. "We were told that the labor levy was not imposed to benefit the Filipinos," Alvarez said.

The proposed economic council is expected to link up Singaporean capital with Philippine resources such as cheap labor and educated manpower. Alvarez said Singapore's efforts to look for external markets have led it to forge trade ties with Indonesia and Malaysia. Following these countries, "logical n papunta na sila sa atin [It's logical that they would come to us]," Alvarez said. Among the Filipino professionals that Singaporean industries wish to employ immediately are engineers and architects.

President Ramos said the state visit resulted in trade, investment and joint-venture arrangements between the two countries. To date, the Subic Bay Metropolitan Authority, represented by Olongapo Mayor Richard Gordon, has signed a joint-venture agreement with Marisco Fisheries of the Keppol group of companies for refrigeration facilities and food processing in Subic Bay. Ayala Corporation, represented by its chairman and president, Jaime Zobel de Ayala, concluded a collaboration on telecommunications services, aimed at providing regional and world-wide state-of-the-art information delivery and processing, with Singapore Telecom International.

Philippine officials also had discussions with the Singapore Chinese Chamber of Commerce and Industry and other top business leaders where the President briefed its members on business and investment opportunities. "We told all of them of the political stability that we had achieved, the peace process that was healing the divisions of our nation and the progress that we had made in the crusade against the scourge of criminality," Ramos said. Singaporean business leaders expressed concern over reports of rampant kidnappings and the continuing power problem plaguing the country.

Manila Working To Smooth PRC Trade Ties

HK1502101893 Manila THE MANILA CHRONICLE in English 15 Feb 93 pp 1, 8

[Text] Manila is working eagerly to remove trade irritants with Beijing, a main irritant ironically having been created by a Philippine government agency, in advance of President Ramos' state visit to China. The removal of such trade burdens is seen by local trade officials as leading to the further opening up of the huge Chinese market to Philippine exports. The Philippine and Chinese sides have pinpointed trade ties as a priority discussion item when Foreign Secretary Roberto Romulo visits China on Wednesday.

The state-owned Philippine International Trading Corp. (PITC) in 1989 imposed a requirement that says Filipino businessmen who want to import from China must also export within nine months an equivalent value of items to the Chinese market. This trade-balancing rule, however, also restricts expansion of bilateral trade and the Philippines now wants this PITC requirement removed.

Foreign affairs officials said "it has not really narrowed the imbalance as much as held back the growth of trade between us and China."

The PITC opposes the move, saying the trade-balancing mechanism had reduced the Philippines' trade imbalance with China from $170 million in 1988 to $50 million in 1991. But foreign department officials said the trade department, which oversees PITC, and the DFA [Department of Foreign Affairs] believe the equal-export rule can now be lifted. This was recently given legal ground by a Jan. 4 decision of a Makati court which found the PITC rule unconstitutional in a suit filed by two firms.

Both China and businessmen buying from Beijing have also long wanted the PITC requirement scrapped, claiming it effectively reduced the entry of Chinese goods into the Philippines. "It's true that the Chinese can be difficult in trade," officials of the Department of Foreign Affairs confirmed, but said it was perhaps time for the Philippines to try a new way of curbing the trade imbalance.

At the same time, the officials pointed out that before that move is made the Philippine has to see concrete signs of China's increased purchases from Manila of not just those under a trade protocol but under a separate list the DFA submitted to Beijing in 1992. "If the Chinese allow greater access for us (to their socialist market economy)...if we can find the right mechanism (to curb the imbalance), this would be good," they added.

China views the "trade balancing program" of the PITC as discriminatory. Its officials have asked why the Philippines had such a scheme when Manila's trade imbalance with Beijing only ranked ninth in the list of its trade deficits. A key DFA official added that Manila should work at lifting the explicit restrictions on trade because "the Chinese are entering GATT and we can't have discriminatory practices against another party." .

Bilateral trade has been in China's favor in the last 12 years, mainly because 70% of Manila's imports from Beijing are crude oil and energy-related products. DFA and trade officials said that the Philippines also wanted China to show its intent to buy more Filipino products by supporting trade fairs and seminars for Filipinos on how to do business with China. "We are going to work for these first before we (go as far as) lifting this (PITC) requirement," they said. [sentence as published]

In the October 1992 consultations between the Philippines and China, Beijing promised to take a "second look" at products Manila wants to sell. PITC, however, has been worried because China is buying just a few of some 25 products it had pledged to get from the Philippines. DFA officials previously gave China a list of additional products the Philippines wanted to sell that includes garments, furniture, food products, and auto spare parts, among others. Other areas of discussion during Romulo's trip are the Spratlys, where the Filipino officials are expected to discuss Manila's hosting of an informal meeting on marine scientific research there.

Citing China's support of joint cooperation and peaceful resolution of the Spratlys dispute, DFA officials said the Philippines hoped to deepen China's participation in the cooperative process. "The moment we can actually fly them to the site (of the meeting), that would be a big plus," the officials said. Sources said that China also wants the Philippines to expedite the processing of visas for its nationals, but DFA officials said that Chinese nationals are not exempted from the rules.

Article Terms IMF Presence 'Distracting'

HK1502090193 Manila THE MANILA CHRONICLE in English 15 Feb 93 pp 1, 8

[Article by Ben Diokno from the University of the Philippines School of Economics]

[Text] Does the Ramos government have the political guts to ask the visiting team from the International Monetary Fund (IMF) to pack up and leave Manila immediately? At this time when the Executive Department and Congress are working harmoniously to map out an economic agenda for recovery and sustainable growth, the presence of an IMF team only serves as a distracting element in an already complex equation for structural reform.

Never in recent history has the IMF intervened as heavily as now. The IMF tightened its supervision of the Philippine economy when it caught the Marcos government of lying on key monitored numbers in the early 1980s. [sentence as published] As a result, the Philippine government's credibility before the IMF Executive Board plummeted to its lowest ebb. IMF continued to be harsh on the Filipino people, even under the Aquino administration, as some of the reform measures promised were not met. The Executive Department should be faulted for reneging on its promise to institute reforms which the Executive Department can implement on its own and committing to undertake reforms which would require legislation, but without clearing first with Congress. Blame also the poor legislative liaison work.

Fortunately, executive-legislative relations have improved under President Ramos. Having recognized the importance of working closely with Congress, Mr. Ramos has put in a lot of time and effort to get the cooperation of Congress. He even agreed to submit to Congress the Medium-term Development Plan for its review and approval. From this review, it is expected that a package of economic reform measures which chart the economy's direction in the medium term will emerge.

The Filipino people expects its national leaders to prepare a program of recovery and sustainable growth independent of any foreign country and international institution (the IMF included). Call it pride, or national sovereignty, but that appears the right thing to do. Yet, at this time when the Philippine government is in the process of preparing such a plan, the IMF team has decided to visit Manila.

Interestingly enough, this is not IMF's first act of intervention in running the affairs of the Ramos government. Last December, an IMF technical mission rendered an unwelcome verdict on Mr. Ramos' medium-term development plan. Its memo states that: "As it (the plan) stands at the moment, it cannot be said that there is a plan ready for consideration by the President and the Cabinet or one that could be presented to external creditors for financial support. The plan as presented is not internally consistent and does incorporate alternative scenarios."

Not satisfied with calling the Plan internally inconsistent, the IMF technical mission went on and prescribed who should do what and how. The memo states: "We perceive a lack of coordination and leadership in the formulation of the economic plan, especially in its quantification. Because the quantification of the macroeconomic variables requires an iterative process, it is important that the management of this aspect of the plan be undertaken by technicians familiar with this work. This would in our view require that the Central Bank [CB] and the Department of Finance [DOF] play a leading role in the process." Thus, the IMF is telling the Ramos government to let CB and DOF to take the lead role in plan formulation, thought this is contrary to what the Philippine Constitution says.

For how long will the Ramos government take this form of intervention? How desperate is the Philippines for a new economic program after the current program ends on March 1993. [punctuation as published]

Some economic analysts, in government and in the academe, argue that a new IMF program may not be crucial at this time. The country has the heftiest gross international reserves ever—estimated at $5.58 billion last month. Remittances from overseas workers continue to surge (estimated at $1.63 billion from January to November 1992). If the news attributed to CB governor Cuisia and finance secretary Del Rosario are accurate, the Philippine government can now borrow directly from selected foreign capital centers. In addition, according to President Ramos, Thai, Malaysian and Singaporean investors are coming. Given all these, analysts are wondering why the Philippine government is in a hurry to have a successor IMF program. They argue that it is more important for the national leaders—the President and Congress—to agree on a bold economic program which will restore growth, shift such growth on a higher path, and sustain the higher growth thereafter.

Indeed, the key to recovery and sustainable growth is the presence of a bold economic program. But this does not have to be an IMF program. The latter's seal of good housekeeping is not a guarantee that the economy will grow. Look what happened to the Philippines in the decade of the 1980s, where, in per capita terms, the economy virtually stood still.

In the meantime, while the Philippines does not have an IMF program, the challenge for the President and Congress is to agree on the package of bold measures. Even the judiciary and the court system may have to be brought into the process to bring about an early resolution of cases which have delayed the privatization of government assets.

Because the window of opportunity may be narrow—some say between now and June 1993—our national leaders should agree on a well-focused, short list of measures. Cluttering the agenda is a ploy to delay reforms. Between now and June, Congress should concentrate on a few items such as: the revamp and financial restructuring of Central Bank; broadening of the VAT [value-added tax]; reforms in direct taxation such as ceilings on allowable deduction for corporations, integration of interest income and other passive incomes in the income tax system; measures to reduce interest rates such as the freer entry of foreign banks and the gradual phase-out (over a 3-year period) of the gross receipts tax). [parentheses as published]

On the part of the Executive department, between now and June, it should do the following: accelerate privatization with emphasis on the money-making corporations (PNB [Philippine National Bank], PAL [Philippine Airlines], Manila Hotel, Petron, Interbank, and others); increase user charges for most public provided services (for example, water, power, irrigation, garbage collection, etc.); streamline government by reducing its size and improve public service delivery; higher investment in physical infrastructure and social services; deregulation of the oil industry including the abolition of the OPSF [Oil Price Stabilization Fund] and the removal of the forward cover for imports of oil companies; improve tax collection efficiency by plugging loopholes, improving tax administration, reducing corruption, and running after tax evaders. Such a package of measure is sufficiently short such that a committed and able government can put it in place within the time frame. If successfully implemented, it would lead to lower public sector deficit, more responsive monetary policy, fairer tax system more competitive exchange rate, lower interest rate, stronger economic growth, lower unemployment, and less poverty.

At the end of June, the national leaders will pause and assess the need for an IMF program. If by that time, the country still needs one, at least, the country's negotiators will be bargaining from a position of strength.

Government To Quit Talks if IMF Disagrees

HK1602031493 Quezon City MALAYA in English 16 Feb 93 p 11

[Text] Finance Secretary Ramon del Rosario Jr. yesterday said that the Philippine government is prepared to leave the negotiating table if the International Monetary Fund fails to agree with its economic targets.

Del Rosario said economic managers will see to it that the exit program with the IMF will protect the interest of the people and not of the Fund.

"If we don't arrive at an agreement with the IMF (on economic targets), we are prepared not to have a medium-term program," he said.

The negotiations for the new medium term program will start next week. The new program will take the place of the Economic Stabilization Program which will expire on March 31.

The exit program will pave the way for the release of $800 million in new loans under the Extended Fund Facility.

Del Rosario said that the government is sticking to its original target under the Medium Term Development Plan which sets a target of 7.5 percent for inflation rate, 4.5 percent growth for gross national product and 13.8 percent expansion in money supply. The government is also adhering to its earlier proposal to shift from reserve money to net domestic assets as basis for the monetary targets.

"We are expecting the negotiatons to be tough this time," the Finance chief said.

Del Rosario said that the success of the Eurobonds float last week gave the Philippines more confidence to negotiate with the IMF.

"The success of the bonds issuance provided us with other options in case we don't get and agreement with the IMF," he said.

The Philippines will automatically forfeit its chance to avail of the $800 million Extended Fund Facility if it fails to secure an IMF program.

Libya Said To Ask Help in Lifting UN Embargo

HK1602011693 Quezon City ABC-DWET Television in Tagalog 1000 GMT 15 Feb 93

[From "ABC-DWET News Program"]

[Text] The government of Libyan leader Mu'ammar al-Qadhdhafi is asking for help from the Philippines. Al-Qadhdhafi is asking the Philippines to appeal to the United Nations to end the air and economic embargo on Libya.

It will be recalled that the United Nations punished Libya for allegedly supporting terrorist groups. In 1988, two Libyans were identified as behind the bombing of a Pan-Am flight over Lockerbie, Scotland.

The Libyan Government said it no longer has ties with terrorists thus the UN sanctions are no longer necessary. When the United Nations imposed the sanctions on Libya last year, the Philippines abstained. Former Foreign Secretary Raul Manglapus said that if the Philippines went with the sanctions, Libya might retaliate by reducing the number of Philippine embassy personnel there.

The Ramos government has not yet replied to the Libyan request.

Thailand

Reportage, Commentary on Dalai Lama Visit

Premier, Dalai Lama To Meet 'Informally'

BK1302013593 Bangkok THE NATION in English 13 Feb 93 p A1

[Excerpt] Prime Minister Chuan Likphai will meet informally with the Tibetan spiritual leader, the Dalai Lama, and six other Nobel Peace Prize winners during their visit here next week, informed sources said yesterday.

The sources said the meeting will take place on Wednesday but declined to disclose the venue.

The sources noted that Chuan wants to meet the delegation to express his personal support for its mission. [passage omitted]

Security Chief: PRC Should Understand

BK1302021793 Bangkok BANGKOK POST in English 13 Feb 93 p 2

[Text] China should understand that Thailand will allow no one to use its territory as a base for attacking others, National Security Council chief Charan Kunlawanit said yesterday.

Lt-Gen Charan was commenting on China's stated opposition, on Wednesday and Thursday, against the Dalai Lama's entry into Thailand.

"Thailand does not want anyone to use Thai territory as a base for attacking others. This is Thailand's stand—one that China will understand," he told reporters.

The Dalai Lama is a Buddhist monk "not a fighter," and is being received by Thailand as a religious leader, Lt-Gen Charan said.

The Tibetan spiritual leader will stay at Wat Bowon Niwet with the Supreme Patriarch during a 27-hour visit on Tuesday and Wednesday.

The visit was confirmed after China urged Thailand to refuse him entry. He was initially due to be in Thailand for two days as part of a "peace mission" by Nobel laureates from February 16-20.

The Dalai Lama will join six other Nobel peace laureates in what the Canadian programme director yesterday affirmed was an "attempt to secure the unconditional, immediate release of (detained Burmese dissident) Aung San Suu Kyi and other political prisoners" in Burma.

The laureates would also try "to promote democracy to the people of Burma" and gain first-hand information on developments in the country from refugees in Thailand, added Peter-Andre Globensky of the Montreal-based International Centre for Human Rights and Democratic Development.

"It is actually a matter internal to Thailand," he said, when asked to comment on China's calls.

"The Dalai Lama is an important component of the peace laureates' mission.

"We are pleased to see that he will be joining us in Bangkok," he said.

Mr Globensky was involved in a lengthy meeting yesterday with Thai counterparts that sought to work out the programme for the Nobel laureates' five-day mission.

So far only a trip to Mae Sot District on the Burmese border on Thursday and a press conference on Friday have been confirmed.

Meanwhile, House Foreign Affairs Committee Spokesman Sutham Saengprathum commended the Government's decision to allow Nobel peace laureates to discuss human rights issues here.

"Allowing human rights issues to be discussed here by several Nobel peace prize laureates, including the Dalai Lama, is a step forward in Thai foreign policy," he said.

"Thailand has recognized that the Nobel peace laureates are honorable people and shown that the country wants an improvement in the human rights situation in the region," he said.

By providing the venue for the laureates' human rights promotion "this Government has proved to the international community that it seeks peace in the region, rather than is afraid to upset the Burmese Government or other countries," he said.

The Government at the same time is showing that it abides by the Universal Declaration of Human Rights and related United Nations resolutions, he added.

King Reportedly To Meet Dalai Lama

BK1402010993 Bangkok THE NATION in English 14 Feb 93 p A1

[Excerpts] His Majesty [HM] the King will grant an audience to the Dalai Lama and six other Nobel Peace Prize winners when they visit Thailand this week, an informed source said yesterday.

The schedule for the royal audience with the Tibetan spiritual leader was unknown, but HM the King would meet the other laureates at 7 pm on Friday, the source said. [passage omitted]

Prime Minister Chuan would neither confirm nor deny the reports he would meet the Dalai Lama at Government House, saying only that his visit was organized by private organizations not by the government. [passage omitted]

Military Chiefs Criticize Visit

BK1502025893 Bangkok THE NATION in English 15 Feb 93 pp A1, A2

[Excerpts] Thai military leaders yesterday warned of possible "serious" consequences of the visit here by the seven Nobel Peace Prize laureates just hours after one of them, South Africa's Archbishop Desmond Tutu, arrived to kick off a campaign for the release of Burma's opposition leader Aung San Suu Kyi.

Army Commander in Chief Wimon Wongwanit and Air Force Commander in Chief Kan Phimanthip said the visit could unnecessarily strain Thailand's relations with Burma and China.

Gen Wimon and ACM [Air Chief Marshal] Kan warned the seven Nobel Prize winners' trip here could "bring enemies down upon our home."

The Burmese Government has expressed anger at what it sees as international interference in its internal affairs, while China has protested Bangkok's decision to welcome the Dalai Lama, the spiritual leader of the Tibetan people who still struggle for independence from Beijing's rule.

Wimon asked the visiting laureates to be sure their activities here against Burma would not cause diplomatic problems for Thailand.

"If this were my home, I would never allow (the visit)," Wimon said. "But this is Thailand, and, if the majority of the people agree, let it be."

Wimon said he personally did not want to see Thailand being used as a venue for a campaign against Rangoon.

"I support the protection of basic human rights and the environment, as well as the principle of democracy, but I disagree with conducting activities here that go against another country. They should have done this in the United States. Why do they need to be here in Thailand?" Wimon asked.

"The actions of this group could affect Thai-Burmese relations. We should not put ourselves into that position. Being a Thai, I do not want to see any trouble resulting from the group's visit here. Having one more enemy will be too much for Thailand."

Kan said he was concerned that China would be convinced the Thai government gave tacit support to the campaign.

"I'm worried," the air force chief said. "If the Chinese believe it's us who brought them here, we will have trouble."

Kan said the Nobel prize winners should have chosen a "more neutral" country like Sweden, or India, whose stand-off with China would have made such a campaign more "understandable" as far as Beijing was concerned.

"I don't know what they (the laureates) really want. But they should not have come here because they can potentially make enemies out of Thailand's neighbouring countries," Kan said.

The Thai military is known to have close relations with the repressive Burmese junta, which has held Suu Kyi under house arrest since 1989. The Burmese opposition leader was awarded the Nobel Peace Prize in 1991.

When Thai military strongmen toppled the democratically-elected Chatchai government in 1991, the Rangoon junta was the first to quickly congratulate the generals. [passage omitted]

Prime Minister Chuan Likphai yesterday praised the Foreign Ministry's decision to allow the Dalai Lama to visit Thailand, but distanced his government from the trip.

Chuan pointed out the visit was organized by an international body and a private Thai group.

Chuan said Thailand regards the Dalai Lama as one of the leaders of Buddhism and a Nobel Peace Prize winner.

"His visit to Thailand is a day-to-day matter and will not affect the long-standing relationship between Thailand and China," he said.

Chuan said the Foreign Ministry had given careful consideration to the matter before deciding to grant the Tibetan spiritual leader a visa.

He said there would be no official welcome by the government for the seven Nobel prize recipients.

"The government has to be very careful when dealing with the visit as it has to maintain its stand and pride of the country," he said.

He dismissed reports that the visiting group would pay a courtesy call on him, saying that no meeting had been scheduled.

The Dalai Lama is scheduled to arrive Bangkok tomorrow and will spend only 27 hours in Bangkok, leaving for New Delhi on Wednesday evening.

Foreign Minister Prasong Sunsiri yesterday refused to confirm whether the Dalai Lama will be granted an audience with His Majesty [HM] the King.

"We should know in a day or two if he will really have an opportunity (to meet HM the King.) I can't say anything more," Prasong said.

The minister said he had invited Burmese and Chinese envoys to hear Thailand's explanation regarding the visit.

"I have let them know that the Thai Government has nothing to do with the trip, and is determined to foster bilateral relations with the two countries," Prasong said.

Laureates' Visit Applauded

BK1502042893 Bangkok BANGKOK POST in English 15 Feb 93 p 4

[Editorial: "A Gathering for Burmese Freedom"]

[Text] Sawatdi to the eminent group of Nobel Peace Prize winners now arriving in Bangkok. This select group of people has come to our country to note the absence of one of their members. Daw Aung San Suu Kyi, elected the political leader of Burma nearly three years ago, remains under house arrest in Rangoon. Never charged with a crime, she was locked up behind barbed wire by the ruling Burmese junta even before the elections which selected her to lead the country. Last year, she was awarded the Nobel Peace Prize in recognition of her efforts in resolving the many conflicts in Burma.

Previous winners of the prize have begun arriving in Thailand in an effort to increase pressure upon Burma's self-styled State Law and Order Restoration Council (SLORC) for her release. More important will be their implicit appeal to SLORC, to release all Burmese from the violence of its regime. The Nobel winners come here with no preconceptions that their presence will win immediate freedom for Ms Suu Kyi. Nor will SLORC change its ways merely because of a united appeal from these respected men and women. Rather, it is hoped, the plea by the Nobel peace laureates will make it clear to Rangoon and its few supporters that the world cares when guns are used to suppress the clearly expressed will of a population.

In the lead-up to tomorrow's first meeting of the seven Nobel Peace Prize winners in Bangkok, there has been controversy here. Some of our officials believed the entire mission should be called off because it would upset Burma. Others wanted to continue a ban on entry to the Dalai Lama for fear of distressing sensitive communist leaders in China. Both of these opinions were wrong, however well-meant and considerate of Thailand's national interest.

If anything, the decision by the government to reject these censorious recommendations was made at the right time and in the right way. Last year's brutal crackdown on our own pro-democracy advocates by an out-of-touch and callous regime may have sent the wrong signal about Thailand throughout the world. With carefully worded statements about the visit of the Nobel peace laureates, officials of the highest rank have made it clear to the world where the current administration stands on the issue of freedom and democracy. To bar a single winner of the Nobel Peace Prize from our country could only reinforce a claim that our country, somehow, was against these ideals, both at home and abroad.

Burma has, of course, announced a ban on all of the Nobel winners from entering the country for any purpose. This—just like Thailand's decision to welcome them—speaks volumes of the country concerned. To most, it is clear that there is no intention of interfering in the internal affairs of Burma. The question is the international right of all individuals to live freely. Ms Suu Kyi should be released from her house arrest and allowed to travel and live freely in her country. That is the right of all persons in the world who are not charged with a crime; all Burmese citizens deserve this basic right.

The mission of the Nobel winners is unique: to draw attention to the plight of Ms Suu Kyi and her fellow citizens. This is simple enough. She has not been charged with a crime, but she has been denied her freedom. This should offend all of us as much as it offends her fellow winners of the Nobel Peace Prize. It is a worthwhile cause, to say the least.

The sad fact is that it is impossible to embarrass the Rangoon regime. SLORC embarrasses itself daily, without help from outsiders. It achieves this self-humiliation merely by its actions and policies against a population which has already voted and chosen its preferred leader and form of government.

We welcome the esteemed past winners of the Nobel Peace Prize to Thailand, and hope they achieve their goal. All tyrannies eventually come to an end, but unfortunately some do more harm during their time than others. We in Thailand should celebrate that our most recent confrontation with a brutal regime was short, and lies in our past. We should not be worried that SLORC protests and perhaps fears the mere words that the peace laureates will utter this week. We should only worry if it does not.

Chuan Clarifies Government Stand

BK1502154293 Bangkok Radio Thailand Network in Thai 1200 GMT 15 Feb 93

[Text] The prime minister said that he believes there should be no problem arising from the Dalai Lama's visit to Thailand because the government did not invite him, but only arranged to issue him a visa. The prime minister said in making the decision the government had taken into account national honor and prestige, as well as national interests. The prime minister spoke with newsmen at a briefing at Government House this evening.

[Begin recording] [Chuan] It is understood that, after the government had coordinated with the organization responsible for the visit, that those people are limited in their activities.

[Unidentified reporter] They made it known prior to their visit that they want to campaign to the Burmese Government to free Aung San Suu Kyi. We are aware of their purpose.

[Chuan] I only learned from their statement that they wanted to make an observation and to collect information. They might have had that kind of intention from the beginning, but our Foreign Ministry has already informed the organization that invited them here that there are certain limits on them. As a country, Thailand has given them freedom to visit. We have granted visas to them. Yet we do not want any of them to create trouble here.

[Reporter] How would the government cope if there was a problem?

[Chuan] That is a problem for the future, but I do not believe that there will be a probloem. Howwever, if there is, it will just be a small problem.

[Reporter] If they fail to abide by our limits and if their activities affect others, are we going to ask them to leave the country?

[Chuan] We won't go to that extreme. Well, we already have sought understanding from those countries concerned. The Foreign Ministry has contacted those countries concerned for discussions. Regarding Burma, we already have talked to the Burmese ambassador and he expressed understanding for our position.

[Reporter] Leaders of the Armed Forces and the National Security Council have expressed concern over the issue.

[Chuan] The government itself is concerned about the matter. But the government must uphold the principles of justice and national sovereignty. We cannot think about material gains only. We must take into account that a country must stand by a principle, the principle of correctness, honor, and prestige. [end recording]

Security Chief, Spokesman Comment

BK1502162393 Bangkok Radio Thailand Network in Thai 1200 GMT 15 Feb 93

[Text] General Charan Kunlawanit, secretary of the National Security Council, granted an interview on the Dalai Lama's visit to Thailand on 15 February. He said the Dalai Lama holds double status as an administrative leader as well as a religious leader. We are aware of the political problem he has with China regarding the annexation of Tibet. In the past, Thailand always rejected his application for a visit because Thailand did not want to get involved and because Thailand was not sure whether he would launch activities in resistance against China.

Now, in addition to his two previous roles, the Dalai Lama has also earned a Nobel Peace Prize award. On his forthcoming visit, Thailand allowed him entry in his capacity as a spiritual leader. We do not want him to engage in any political activity, and we do not want anybody to make use of Thailand to stage a campaign of resistance. It would be unethical for anyone to carry out such a movement. The secretary general of the National Security Council said he believed a person of a high status like the Dalai Lama would not violate the ethics.

As for concerns expressed by military leaders, Gen. Charan Kunlawanit said they are entitled to choose their opinions, and we should listen to them because they are in charge of national security and that it is natural for them to give priority to their responsibility. Anyway, we welcome the group of Nobel Prize winners if they are sincere in their visit and refrain from creating political impacts involving other countries.

Asked about the plan of the seven Nobel Prize winners to campaign for the release of Aung San Suu Kyi, the secretary general of the National Security Council said that Thailand had informed the Nobel Prize winners that Thailand will welcome them as laureates, and that they must abide by ethical rules while staying in Thailand. Thailand would let them know if it does not agree with their activities. Thailand supports the principle of human rights, but this must be distinguished from international politics. They can campaign against human rights violation in their own countries or anywhere in the world.

Asked what the Burmese Government would think about Thailand, Gen. Charan believed that Burma understands Thailand. Concerning the Nobel Prize winners' desire to visit the Burmese refugees' camp in Tak Province, he said they can go there if they want. They will realize that Thailand is sincere about human rights if they see how we treat those people and help them.

Aphisit Wetchachiwa, spokesman of the Prime Minister's Office, also granted an interview to newsmen this morning regarding concerns expressed by military leaders about the visit by the Dalai Lama. He said the government did not think the visit would affect national security because the Dalai Lama is visiting here as guest of a private organization and he is in the group of Nobel Prize winners campaigning for civil liberties and human rights and Thailand is a democratic country. The government does not think the Dalai Lama would cause any problem to Thailand or the countries concerned. It is believed that both China and Burma understand Thailand as the coming visit by the Dalai Lama and other Nobel Prize winners is an affair organized by themselves and the Thai Government has nothing to do with it.

He said the negative views expressed by military leaders are considered personal opinions. They do not represent the military institution. Those military leaders are entitled to express their views. The government, meanwhile, has thoroughly studied the issue and adopted a clear-cut policy on the matter. It does not consider the visit an interference into any country's affairs. Those who are visiting Thailand are respected worldwide. He said Thailand realized that it is being watched by other countries. The spokesman said the government does not think an invitation by a private organization for Nobel Prize laureates to visit Thailand would create repercussions as was feared by some people. Their visit does not contradict the government's policy.

Itinerary Said Changed; Interview Banned

BK1602010993 Bangkok BANGKOK POST in English 16 Feb 93 pp 1, 3

[Excerpts] Tibetan spiritual leader the Dalai Lama who arrives today will not be staying with the Supreme Patriarch as planned.

The sudden change of plan follows protests from China and reservations about his visit expressed by senior military leaders.

It also coincided with an army-owned Channel 5 order banning anchorman Somkiat Onwimon from airing an interview with the Dalai Lama on "This Morning" television programme tomorrow. [passage omitted]

All eight [visiting Nobel Peace Prize] laureates are expected to be informally received by Prime Minister Chuan Likphai tomorrow afternoon. [passage omitted]

Plans announced last week called for the Tibetan leader to stay with the Supreme Patriarch at Wat Bowon Nivet during his 27-hour visit. [passage omitted]

The Dalai Lama's Special Assistant Kelsang Gyaltsen, who arrived in advance to finalise details, said he had received "no official direction from the people involved."

Mr Gyaltsen said he went to Wat Bowon on Sunday to see the quarters being prepared for the Dalai Lama.

Yesterday morning, qualified Thai volunteers were reported to be busy checking out that the quarters were in good order, indicating that the change of plan was decided some time before the Supreme Patriarch left for Phuket at 11 a.m.

His assistant was unavailable for comment from early afternoon when reports first emerged of the change of plan. [passage omitted]

Chuan, Military, Opposition Comment

BK1602021993 Bangkok THE NATION in English 16 Feb 93 pp A1, A2

[Excerpts] Prime Minister Chuan Likphai reiterated yesterday that Thailand "has done the right thing" in allowing Nobel Peace Prize winners to campaign for the release of fellow laureate Aung San Suu Kyi.

Meanwhile, the opposition has joined the military in criticizing the government's decision.

But local pro-democracy leaders have thrown their support behind Chuan and criticized those opposed to the crusade to free the Burmese opposition leader for condoning or approving civil repression.

"The Thai Government stands by its policy," Chuan told reporters at Government House. "Thailand is a sovereign country and we don't see only short-term interests. We must have a vision for the long run."

He said concerns that Thailand risked jeopardizing relations with Burma or China were understandable.

"The government is also concerned about that. But we must as well take into account the correct principles and our sovereignty. Don't link everything to interests. Our nation must have pride and dignity. This government considers these two things along with national interests," Chuan said.

Thai military leaders have voiced strong objection to the Nobel laureates' visit to Thailand, saying the use of the country as an international platform from which to generate anti-Rangoon messages would put Bangkok at odds with neighbouring countries.

Burma has expressed anger at the campaign, while China strongly protested Thailand's decision to welcome one of the prize winners, the Dalai Lama of Tibet.

"The best way to escape problems is to never let anybody in. But what will happen to Thailand's image then? What will the international community think about Thailand if it shuts out those who have won the Nobel Peace Prize?" Chuan said.

He said the prize winners could engage in political activities within an "appropriate" limit.

"Don't worry about them (discussing politics while in Thailand.) They would not want to have their peace prizes revoked by shattering the peace here," Chuan said. "The government has no right to prevent them from discussing general politics within appropriate limits."

He stressed that the visitors were the guests of non-governmental organizations, and added that the Thai Government had asked the campaign organizers to ensure that the laureates' activities "are within our scope."

Opposition leaders charged that the government was too optimistic about the mission, which they said would do Thailand more harm than good.

Muanchon Party leader Chaloem Yubamrung said two consecutive warnings from Beijing against the Dalai Lama's visit were unusual.

"We have to accept the fact that the Communist Party of Thailand crumbled because China ended its support. The Chinese move was motivated by feelings that Thailand was a good friend," Chaloem said.

Opposition parties will consider the issue today and try to adopt a common stand, according to Chaloem.

Prachuap Chaiyasan, secretary-general of the Chat Phatthana Party, warned that the government's decision could provoke fresh military intervention in politics.

"Several conditions (which could invite military interference) have been created, namely the harassment of civil servants by politicians and poor public safety. Now, here comes conflicts with neighbouring countries," Prachuap said.

Most of Thailand's opposition politicians actively sided with or gave tacit support to the military during the bloody political crisis last May.

Army Commander in Chief Gen Wimon Wongwanit, repeating his objection to the anti-Rangoon mission, said yesterday it was not Thailand's business to get involved in any human rights campaign aimed at Burma.

"I don't think it's necessary for us to bring a group of people here for the purpose of attacking another country," he said.

The army chief said he would have no objection to the presence of the Tibetan spiritual leader, the Dalai Lama, in Thailand if his intention was "to discuss Buddhism."

"But I don't agree with his being here to talk politics," he added. [passage omitted]

The Chinese Government unsuccessfully urged Thailand to refuse an entry visa for the Dalai Lama, who has been waging a peaceful campaign for Tibet's independence from Chinese rule.

Gen Wimon on Sunday said inviting the Dalai Lama here was tantamount to "bringing war into our own home."

While stressing that the Thai Army supports the principles of democracy and human rights, Gen Wimon said he could not endorse the laureates' visit. "If they want to attack another country they should do it somewhere else, not here," he said.

But the army chief declined to say whether the decision by the Thai Government to allow the laureates to visit Thailand was wrong. "I don't know.... But this is something that the Thai people will have to decide," Gen Wimon said.

Gen Charan Kunlawanit, secretary general of the National Security Council, defended the military's stand, saying "Burmese problems should be solved by the Burmese themselves." [passage omitted]

As opposition MPs took sides with the military, pro-democracy leaders came out to defend the Chuan government.

"Those opposed to the visit by the distinguished persons undeniably are people who like repression, execution, or harassment of mankind for political reasons," said San Hatthirat, chairman of the Confederation for Democracy.

"Those people approve of human rights abuses, do not love mankind, lack the concept of peaceful co-existence and fail to understand democracy."

He said the Thai military leaders' statements that the campaign was tantamount to "bringing war to Thailand" were an insult to the Nobel Prize winners.

"The prize winners have fought peacefully against political repression. Some were arrested, while the others barely made it through alive.

"But they have continued their peaceful struggle until the world community recognized their determination and ability to stage non-violent campaigns for civil liberty and peaceful coexistence," San said.

He charged the generals' statements also insulted the Thai Government.

"The remarks imply that the Thai Government does not have enough self-confidence to explain to China and Burma that Thailand is a free and democratic country where freedom of expression is treasured. The government's decision to allow the peace mission ... reflects the country's moral standard," Sant said.

He added the Thai Government's stand would boost the country's image, "which was badly shattered" last May when troops fired on anti-military protesters demanding the ouster of military-backed prime minister Suchinda Khraprayun.

Khothom Ariya, former leader of the Campaign for Popular Democracy, said the Thai military was practically expressing sympathy for the Rangoon Government while ignoring the plight of the Burmese people.

"The Burmese people don't want their government. And in the long run Thailand should not pursue any kind of policy which will make the Burmese people think we are their enemies."

Dalai Lama Arrives; Official Comments

BK1602102793 Bangkok Cho So 100 Radio in Thai 0900 GMT 16 Feb 93

[Correspondent report from Don Muang Airport on arrival of the Dalai Lama—live]

[Text] The Tibetan spiritual and territorial leader in exile, the Dalai Lama, and his party have arrived at the Bangkok airport via Air France. The group was met by the rector of the Mahidon University who then accompanied the Dalai Lama and his party to the airport's VIP Room 3A. The Dalai Lama and his party are still in the VIP room while hundreds of newsmen are waiting to cover his arrival and a number of Buddhist monks are present to welcome him. Tight security is being provided by airport police.

Dr. Pradit Charoenthaithawi, rector of the university, said before the arrival of the Dalai Lama that the visit would not be tantamount to bringing war into our own home, as claimed by some. The Dalai Lama is a religious and territorial leader at the same time, and he therefore must be guided by discipline and will never cause a conflict or problem here. The doctor said he was confident that the visit would not cause repercussions in Thailand's relations with China and Burma.

The rector of the Mahidon University said that according to the schedule of activities, the Dalai Lama will pay respects to the Buddhist Supreme Patriarch and ask the latter for accomodation at Wat Bowon Niwet. He will leave Wat Bowon Niwet for the President Hotel tomorrow.

Phra Mana Thammarato, the abbot of Wat Chonlaprathan Rangsarit, who is among the group of monks welcoming the Dalai Lama at the airport, said that he had received a message from Wat Bowon Niwet that the Supreme Patriarch had agreed to accomodate the Dalai Lama. Phra (Phuten Shoshel), also a Tibetan monk who arrived from Malaysia, said that he was happy for the Dalai Lama's visit to Thailand. He said this is a good opportunity for a gathering of Buddhist monks.

The Dalai Lama and his entourage are still at the airport's VIP room. They are scheduled to leave the airport soon and go straight to Wat Bowon Niwet.

Military Foresees Renewed Fighting in Cambodia

BK1302023993 Bangkok BANGKOK POST in English 13 Feb 93 p 1

[Text] Supreme Commander ACM [Air Chief Marshal] Woranat Aphichari has voiced fears there may be new fighting in Cambodia and is considering a proposal to withdraw two Thai engineering battalions from the country by the end of May, an informed source said yesterday.

A high-ranking officer in the Supreme Command said ACM Woranat is not optimistic about political developments in Cambodia and expects heavy fighting after the election.

"There is a possibility that Thai forces in Cambodia may be recalled by the end of May," said a general, adding that the supreme commander is also unhappy with the performance of the United Nations Transitional Authority in Cambodia (UNTAC).

"Both UNTAC's chief, Yasushi Akashi, and military commander, Gen John Sanderson, are biased against the Khmer Rouge.

"They have never tried to verify the Khmer Rouge claim that Vietnamese forces are still in the country and this has caused a political impasse," claimed the general, who is close to the supreme commander.

When asked if the supreme commander shared these views, the four- star general nodded his head in apparent agreement.

He asked:

"How can a respectable organisation (the UN) give these kinds of men the mission to establish peace in Cambodia."

UNTAC would fail in its mission to establish peace in Cambodia because two of its key officials have a poor attitude, the general said.

Two Thai mechanic battalions are repairing the roads from Poipet to Sisophon and Sisophon to Battambang.

On Wednesday, Army Commander Gen Wimon Wongwanit led military attaches from 18 nations on an inspection tour of the Thai-Cambodian border.

Army spokesman Col Phalangkun Klahan told a weekly press conference yesterday that the attaches had visited Suranari Task Force in Surin's Muang District and were briefed by Maj Gen Prasoet Phakcharoen on the situation along the border in Buri Ram, Surin, Sisaket and Ubon Ratchathani provinces.

The attaches were told the army has strictly followed the guidelines set by the UN, Col Phalangkun said.

Representatives from 28 logging companies asked the military attaches for help in ending the UN closure of the border and the ban on log imports from Cambodia, the colonel said.

SNC To Allow Thai Processed-Wood Plants

BK1502024693 Bangkok THE NATION in English 15 Feb 93 p B3

[Text] The Supreme National Council of Cambodia has allowed the Forestry Industry Organization [FIO] of Thailand to set up processed-wood plants in Cambodia.

Winai Saprungrueng, deputy director general of the FIO, said that Prince Norodom Sihanouk, chairman of the SNC, has agreed in principle to allow Thai officials to set up processed-wood plants in Phnom Penh's area which is controlled by the SNC.

The council is awaiting particulars from the Thai Government over the size of area on which it wants to set up the plants.

The FIO is still studying the size of the processed plant. Winai suggested that the government should carefully consider the feasibility of the project to avoid business risk.

"I, personally, think that the government should invest in Cambodia after the general election to ensure that the new government would allow Thai investors to proceed with the plan," he said.

Winai said the Cambodian Government is expected [to] allow Thai investors the forest concession with the maximum amount of 300,000 cubic-metres of wood annually, but on condition that the Thai investors should jointly invest in the forestry project with the Cambodian investors.

Vietnam

VNA Reports Hawaii-Based Dialogue With U.S.

BK1602072293 Hanoi VNA in English 0558 GMT 16 Feb 93

[Text] Hanoi VNA Feb.16—The Fourth Annual Vietnamese-American Dialogue was held in Hawaii, the United States, from Feb. 8-11 by the U.S.-based Aspen Institute.

Participants on the U.S. side included Senators Hatfield, Murkowski and Pressler, Congressman Torricelli, Deputy Assistant Secretary of State for East Asia and The Pacific Kenneth Quinn and others. The Vietnamese side was represented by vice chairpersons of the National Assembly's External Commission Tran Van Phac and Nguyen Thi Ngoc Phuong, Deputy Foreign Minister Le Mai, Deputy Director of the State Commission for Cooperation and Investment Lu Minh Chau and many professors and researchers.

The two sides reviewed the process of normalization of the Vietnam-U.S. relations and other related questions. The questions of humanitarian settelement of the war aftermath, the Vietnam syndrome in the U.S, the renovation process in Vietnam and related regional and international issues were discussed indepth in a broad frank and constructive manner.

They highly appreciated the U.S non-governmental organization's past and present activities in Vietnam and Vietnam's great contributions to the settlement of the MIA issue and the signing of the Paris agreement on Cambodia.

They welcomed the recent progress in the Vietnam-U.S. relations and reached a common understanding that the best way for solving the remaining questions left by the U.S. war in Vietnam for the two countries is to soon normalize the bilateral relations and build a new relation of equality, friendship, cooperation and mutual respect. Such an approach conforms with long-term and basic interests of the two peoples and the interests of peace and stability in Southeast Asia and the world over, they agreed.

Labor Ministry Confers on 1993 Plan

BK1402130193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 10 Feb 93

[Text] On 9-10 February in Hanoi, the Ministry of Labor, War Invalids, and Social Welfare held a conference to discuss measures to carry out 10 main tasks which aim to stabilize and improve people's living.

Attending at the conference were representatives from ministries and departments at central level and from Offices of Labor, War Invalids, and Social Welfare in the northern provinces. The representatives at the conference discussed thoroughly the issues of employment and salary policy. From the experiences of the year 1993 [as heard], there is a need to intensify the development of projects that create jobs, for which the primary focus should be put on projects for land reclamation, afforestation, industrial tree planting, projects to cover bare hills and empty lands, as well as small-size trade or production business projects at base level.

The implementation of a new salary policy for 1993 involves a reasonable adjustment which is necessary for the administration sector. In the state-run economic sector, salary is dependent on the trade or production efficiency of each establishment. Based on the new salary scale and the current salary levels of workers and civil servants, by the end of the first quarter of the year the current salaries must be adjusted to the new salary schedule so that each worker can know his/her new salary and benefits and also be informed of the time schedule for these salary adjustments. Pensions to those who have retired or resigned due to disability will also be adjusted by the same time-schedule as for workers and civil servants.

Attendants at the conference also spent time discussing issues such as the care of people credited with services for the revolution, services for war-invalids and war-dead, social insurance, the struggle against poverty and hunger, the struggle against social vices, and organization and training tasks for cadres.

Le Phuoc Tho Speaks on Party Renovation

BK1102150993 Hanoi NHAN DAN in Vietnamese 7 Jan 93 p 3

["Part 1" of article by Le Phuoc Tho: "Some Issues Related To Party Renovation and Rectification"]

[Text] I. Some initial inferences drawn from realities:

After only a little more than four months, a short period of time indeed, initial successes have been obtained in the implementation of the party Central Committee's third plenum resolution on party renovation and rectification-related tasks.

Facts obtained from Ho Chi Minh City, Tay Ninh, Thai Binh, Hanoi municipality, and Hung Ha district as well as from 12 other central and southern provinces where we have come to conduct our surveys show that the Party Central Committee's third plenum resolution has been highly welcomed by various party organizations and has met the aspirations of party cadres and members and the people nationwide.

During their discussion of the resolution, a large number of party cadres and members and nonparty members, especially party committee echelons and key leaders, unanimously believed that the Party Central Committee's third plenum resolution on party renovation and rectification had arrived in time. They have correctly evaluated the real situation, clearly realized policies, and adopted appropriate implementation measures in conformity with the new situation.

From another perspective, we also realize that the things we have achieved above are initial but very important, for they are creating a momentum for us to prepare for follow-up steps. More importantly, the process of party renovation and rectification are being carried out at a time when the world situation is developing in a complex fashion and when the collapse of socialism in the Soviet Union has resulted in a radical change in the world situation. This situation has created many new, acute difficulties for us and has, at the same time, awakened a number of people from their illusion about pluralism and a multiparty opposition system. This situation has also helped us affirm that those lessons on party building cited in the Party Central Committee's third plenum resolution are correct, especially the lesson on how to resolutely do away with the relaxation of the party's ruling role and with the violation of the principles governing party organization and activities; on the danger of making mistakes in personnel recruitment and assignment; and on the bureaucratic ills of dissociating oneself from the masses.

Faced with the complex developments of the world situation, our party has demonstrated its well-established political acumen, its independent, sovereign, flexible, and creative spirit, and its determination to provide guidance for the renovation undertaking so it can develop in the right direction, gradually enter into the in-depth dimension, and win support and sympathy from many countries and friends in the world.

Over the past four months, it is encouraging that we have been studying and implementing the Party Central Committee's third plenum resolution at a time when the country's political stability has been firmly maintained, new economic developments achieved, and more sources of materials created. The life of the people of various strata has been further stabilized and improved. Our socioeconomic results—which have resulted from the renovation process initiated since the Sixth Party Congress—especially those achieved during 1992, have increased our people's confidence in the party's renovation policy. The people have become increasingly aware of the need to renovate and rectify the party if we are to improve its capability and militancy in order to meet the objective demand of our country's revolution in the new situation. It is necessary to improve the intellectual standard of the party, purify its ranks, and ensure effective implementation of the political tasks set forth by the Seventh Party Congress. Emphasis should be placed on promoting economic development for the sake of a prosperous people and a strong country and on continuing to maintain political stability.

Initial results:

Developments at recent congresses of the many provincial and city party organizations show that this time the deployment of the party resolution did not stop at disseminating the copies of the resolution but advanced to scrupulously holding collective discussions and preparing action programs. In this, many party organizations have associated the implementation of the resolution with such pressing tasks as promoting socioeconomic development, rectifying themselves organizationally, revamping the contingents of key cadres, fighting corruption and smuggling, resolving the state of weakness or disunity in the internal ranks of certain localities. A number of provincial or city party committees, through their action programs, their selection of pilot sites, and their appointment of cadres to run these pilot sites, have substantiated the resolution of the Party Central Committee's third plenum in a way suitable to the local situation and characteristics. Various Party Central Committee's departments have initially cooperated in studying and translating the resolution of the Party Central Committee's third plenum into standard operational procedures. The Hanoi Municipal People's Council and People's Committee have promptly come up with standard operational procedures for the administration at the ward and village levels and a statute dealing with policies toward cadres in charge of party, government, and mass organization activities at the grass-roots level in accordance with the contents of the Party Central Committee's third plenum.

Facts over the past few months show clearly that party renovation and party rectification must be closely linked and that they must be carried out harmoniously and promptly if we are to effectively apply the party Central Committee resolution to the particular situation of each locality. We must draw up a substantive and practical action program and promote a high sense of responsibility among various party committee echelons, the administration at all levels, and mass organizations. We must regard economic and party-building tasks as our central objective and key task respectively. These facts have been reflected in a rather substantive and animated fashion through results obtained at many pilot sites from various provinces and cities.

All these are just initial results as there still remains a considerable number of problems and shortcomings to be dealt with. Standing out among them are:

1. Some party cadres and members and nonparty people still refuse to believe the practicability of the party Central Committee's third plenum resolution on party renovation and rectification, especially the question of fighting corruption and smuggling and other negative phenomena. Others have even expressed their doubts over such issues as developing international relations, building a socialist model in Vietnam, and the purification of party members.

2. The results of the deployment of the resolution are not even between localities as well as between different targeted units. In directing work implementation, a number of party committee echelons are still in a quandary about what to do. Consequently, they have developed a state of passivism—depending on or waiting for higher echelons' assistance.

3. Many departments and sectors at the central levels have exerted great effort to compile documents to substantiate the resolution of the party Central Committee and to provide guidance for work implementation in accordance with their functions and tasks. However, in general, what they have done is still slow and lacks consistency. This has caused them to become more confused when it comes to organizing work implementation.

4. Presently, many grass-roots party organizations are weak, the quality of their party chapters' activities is not high enough, efforts to overcome the bureaucratic ills of disassociating oneself from the masses are still slow, and a sense of unit discipline is not high enough. In many localities, party members have not been given specific work assignments.

5. Many localities and establishments are still worried because the administration at various levels is still slow in translating into legal documents those issues mentioned in the party resolution having to do with the responsibilities of the state, such as improving various systems and policies toward party cadres, mass organization cadres, village and ward cadres, and retired cadres; and integrating the budget for cadre training, etc.

Six interesting issues:

After monitoring the two conferences of the heads of the organizational sections of various northern and southern provincial and city party committees held in Thai Binh and Tay Ninh Provinces as well as other similar conferences held by seven central provinces and five Mekong Delta provinces, we have found the following distinctive points:

First, at many party organizations, there has been a higher sense of responsibility displayed in implementing the party Central Committee's third plenum resolution. The sense of responsibility of the collective of various party committees from provincial and city down to grass-roots levels can be seen through their efforts to draw up substantive action programs for implementing the resolution instead of confining themselves to the dissemination of the text of the resolution. Many party organizations such as those of Ho Chi Minh City, Thai Binh, Hai Hung, Ha Tay, Thanh Hoa, Tay Ninh, Tien Giang, Can Tho, Thua Thien Hue, Kien Giang, Ba Ria-Vung Tau, and Long An have linked their action programs with the tasks of carrying out socioeconomic development, rearranging themselves organizationally, exercising closer control over the contingents of key cadres, tackling the question of weak establishments and internal disunity, and fighting corruption and smuggling. Various party organizations, especially party committee echelons, have displayed a high sense of responsibility. This is partly due to efforts of the mass media from central down to local levels to spread propaganda about and promote the successful implementation of local socioeconomic tasks. Such indications have been more visible in the infrastructure. The sense of responsibility of various party organizations and party members has been instrumental in encouraging a large number of people to participate in party building. A high sense of responsibility has also been found through positive contributions by those party members who are retired cadres. A number of local party organizations have substantiated the resolution of the party Central Committee's third plenum on party renovation and rectification in a way more suitable to the local situation. Some localities have promptly drawn initial experience on their implementation of the resolution of the party Central Commitee's third plenum. The Hanoi Municipal Party Organization has drawn experience from its efforts to achieve close cooperation with the many administrative and mass organizations from the municipal down to grass-roots levels, as well as with various sectors at the central level.

Recently, leading cadres of various ministries such as the Ministries of Light Industry, Interior, Water Conservancy, Trade, Construction, Agriculture and Food Industry have cooperated with various cities in carrying out party renovation and rectification. Whereas a number of party organizations have still confined themselves to disseminating the resolution. They have rarely discussed or reviewed the implementation of this resolution, have not surveyed or evaluated the actual situation of their own party organizations, and have failed to help party members grasp the essence of the resolution. They have only come up with a general action program. Their guidance lacks closeness and profoundness. This has prevented them from achieving realistic results and can easily create a lack of confidence among relevant party organizations and people. There are many reasons for these shortcomings, the most striking of which is that party committee echelons have neglected or not personally directed the implementation of the resolution or, if any, have only issued a "blank check" order to their cadres or sections, asking them to organize the "study" of the resolution or to disseminate it without having any action programs for this. Consequently, their deeds did not match their speeches.

Second, thanks to their correct implementation of the motto of linking party renovation and renovation with the socioeconomic development task, with the renovation of managerial mechanism, and with the mass movement, many party organizations (such as those in Hung Ha of Thai Binh, Ho Chi Minh City, and many other provinces) have been able to achieve initial results in implementing the party Central Committee's third plenum resolution. It is through party building activities that they have engaged in efforts to promote socioeconomic development and to improve and stabilize the people's lives. By promoting economic growth and maintaining political stability, we will have more conditions to successfully renovate and rectify the party. It can be said that linking party building with socioeconomic development is an interrelated matter and also a law on party building to be observed under conditions where the party is ruling one. Facts show that wherever there is disunity in the internal ranks or destitution in the people's life, the relevent local party organization can in no way attain a state of steadfastness and their party members' prestige will decline.

Third, while implementing the resolution, we should have objectives to be achieved and should know how to single out those important and burning issues to be neatly and successfully dealt with. Only by doing so can we restore the people's confidence both inside the party and in the outside world. In the socioeconomic domain, many districts have concentrated on doing away with hunger and poverty and encouraged the people to enrich themselves through legal means. For instance, through the development of family economies, many districts have succeeded in putting party members on the forefront of the economic scene. As for fighting negativism within the party, some localities have placed an emphasis on fighting corruption while others concentrate on fighting smuggling, such as Lang Son and Cao Bang. Certain localities have directed their efforts at fighting disunity in the internal ranks or at tackling land disputes. Ho Chi Minh City is noted for its ability to select targeted negative cases, such as corruption and smuggling, for putting them on trial.

The action programs adopted by various party organizations to carry out party renovation and rectification should not be the same in scale and the content of which should not be far different from the realities of relevant localities. To achieve this aim, we should survey, investigate, and correctly evaluate the actual situation. Every unit should decide on how to achieve a breakthrough for this issue.

Fourth, select a pilot site and assign menm to provide leadership for it:

a. Now we are all more aware of the need to set up a pilot site, from which experience will be drawn for overall guidance purposes.

b. We should first of all correct the idea of how to select a pilot site and provide leadership for it if we are to create a high unity of mind among party committee echelons in providing guidance for this pilot site. It is necessary to set clear-cut requirements for every unit and locality to provide guidance for each pilot site.

c. We should appoint competent and reliable cadres with experience on party affairs to various action teams in charge of providing guidance for pilot sites. (We should not take for ourselves the work of party committee echelons nor should we perform the functions of grass-roots units.)

We should link efforts to provide guidance for pilot sites with efforts to deal with issues of larger scale. Specific efforts should be made to promptly draw on lessons of experience, both good and bad, on building pilot sites, and should correct errors if there is any. A pilot site is not the best or the worst model but rather a site occupying an important position in the socioeconomic, national security, and defense fields of each different sector or area. It is a site where conditions permit us to experiment with certain activities ahead of other localities to draw on experience with which to better handle the situation of a larger area. It is important that while providing guidance for pilot sites, we should attach importance to situation surveys. We should know how to predict the situation and those contingencies that may occur during the process of providing guidance for work implementation.

Fifth, in providing guidance for work implementation, higher echelons should play a direct, very important role which calls for them to disseminate the party resolution, help provide guidance for pilot sites, and conduct training, etc. More imporantly, higher echelons should promote and develop the sense of responsibility of grass-roots party organizations, especially of secretaries and party committee echelons at the grassroots. In this task, they should attach great importance to mobilizing party members who are retired cadres, nonparty people, and various mass organizations to participate in building the party, especialy party organizations which are weak.

Sixth, efforts should be made to prevent the occurence of these erroneous tendencies:

a. First of all, we should prevent the feeling of subjectivism and complacence. For instance, the Party Central Committee's third plenum resolution does not have anything new. Such a wrong feeling will lead to the tendency to work just for form's sake.

b. We should prevent the tendency to separate the task of party renovation with the task of party rectification, failing to regard these two tasks as an integrated matter. We should not call for party renovation without linking this with party rectification, especially with the revamping of the party committee apparatus at the grassroots and the purification of the contingent of party members. We should not be too preoccupied with sorting out party members without paying any attention to training cadres in order to bring their knowledge up to the level required of them by the new situation. In practice, sorting out party members is difficult. It is even more difficult to improve the intellectual standard of party members. Special attention should be given to this issue as we are advocating a open-door policy and promoting multisectoral economic development in accordance with the market system. In localities and units where party members are few, especially provinces in the south, the sorting out of party members should be discussed and carried out more carefully, taking into account the pros and cons. Attention should also be given to the recruitment of new party members.

c. In fighting corruption and smuggling, we should be determined and sober-minded. Legal actions should be taken against the relevant persons for their correctly defined offenses in accordance with the law. Precautions should also be taken against any indications of taking advantage of the fight against corruption and negativism to liquidate one another, to build up one's supporting camp, or to take vengeance for personal hatred, especially in areas where there is disunity in the internal ranks. We should avoid the tendency to call for fighting corruption and negativism only at other units or at central-level organs without touching on our own localities or units, acting as if there nothing had happened there.

We should also prevent the possible occurence of other anomalies, such as one's words not matching one's deeds. Therefore, we should attach importance to poviding guidance for pilot sites, promptly draw on experience on the operations of these pilot sites, correctly predict the situation, and promptly detect and satisfactorily tackle newly arising problems.

Australia

Jan Unemployment Figure Falls to 10.9 Percent

BK1102063093 Melbourne Radio Australia in English 0500 GMT 11 Feb 93

[Text] Australia's unemployment rate has recorded a slight fall. Seasonally adjusted figures for January showed unemployment fell .4 of 1 percent to 10.9 percent. The raw figures for the month showed that for the first time, more than 1 million Australians were looking for work.

The Bureau of Statistics said that more than 1 million Australians were unemployed in January. Radio Australia's Canberra office says that despite the fall, the figures are a blow to the federal government which faces an election on 13 March.

Polls Point to 'Big' Win for Conservative Party

BK1602080293 Hong Kong AFP in English 0743 GMT 16 Feb 93

[Text] Sydney, Feb 16 (AFP)—The ruling Australian Labor party showed signs of nervousness Tuesday as newspapers published opinion polls suggesting that the conservative opposition will win a big majority in next month's general election. The share market rose to a seven-month high and brokers said investors were banking on victory by the coalition of Liberal and National parties in the March 13 election.

A front-page report in the daily THE AUSTRALIAN said the latest poll showed that the coalition would emerge with a majority of 31 seats in the 147-seat House of Representatives. Labor had a majority of nine seats in the lower house of parliament after the 1990 election.

Under the compulsory electoral system, voters cast a primary vote for one candidate but indicate a preference for another if their first choice does badly: preference votes are distributed if no-one wins outright on the primary votes.

THE AUSTRALIAN's poll, taken last weekend after the first week of campaigning, indicated that the coalition had extended its primary vote lead over Labor to 8.5 percentage points and its two-party preferred vote lead to 7.0 percent. THE AUSTRALIAN's poll was taken before a televised debate between Prime Minister Paul Keating and opposition leader John Hewson which most political commentators agreed was "a draw".

The main share market indicator, the all ordinaries index, closed 15.6 points up on Monday at 1612.1, its highest since July 31 last year, when it closed at 1617.7.

"Basically the opinion polls are showing Hewson can do it and he only needs a 0.9 percent swing to win," one broker said. Offshore and local investors were moving in particular into bank stocks, brokers reported.

In a front-page report THE AUSTRALIAN said that Keating's "failure to win Sunday night's debate has fuelled tensions within Labor's senior ranks over the conduct and direction of the election campaign." Specifically, it said, cabinet ministers and members of the Labor executive were dismayed at the "dominant role being played by Mr. Keating's personal office in controlling campaign strategy."

Treasurer John Dawkins retorted: "I have not seen any evidence of dissent." Dawkins was one of Keating's allies in a bitter and divisive party coup 14 months ago against former prime minister Bob Hawke—the most successful leader in Labor's history, who led the party to four successive election victories since 1983.

Speaking to reporters in Hobart, capital of the island state of Tasmania, Dawkins commented: "We are now into week two. I think you will see the nature of the campaign change—and change very much in our favour."

During the first week of campaign and in the debate, Keating was restrained in his language, but on Monday he warned voters of "industrial warfare" if the conservatives win the election—a charge rebutted by the opposition industrial relations spokesman John Howard.

"I don't believe we're going to have the industrial strife the prime minister is furiously hoping the rest of the community believes is going to occur," Howard said in a radio interview. Labor is due to announce its latest industrial relations strategy this week.

The opposition meanwhile appeared to be taking nothing for granted when it exempted the sugar industry from its programme to scrap tariffs. Sugar is an important part of the economy of at least four constituencies in the north-eastern state of Queensland and two in New South Wales.

The coalition announced a freeze on sugar tariff reductions for two years and a generous compensation package over five years when the tariff is eventually cut from 55 Australian dollars (37 U.S.) a tonne to 15 dollars.

New Zealand

McKinnon Criticizes U.S. Approach to GATT

LD1502200193 Wellington Radio New Zealand International in English 1900 GMT 15 Feb 93

[Text] New Zealand Foreign Minister Don McKinnon has sharply criticized the new American Administration's approach to the GATT world trade negotiations. He says the New Zealand Government has been disappointed with President Clinton's administration for not seizing the opportunity to clinch a deal in the Uruguay Round of talks. Mr. McKinnon said the success of the negotiations could have an impact beyond the area of trade for the world economy. He said a sound and prosperous world economy is the basis for a safe and more stable international order.